



• Business • Litigation • Estates

DONALD A. LOOSE*
C. KYLE BROWN
DENISE A. SCAMMON
ROBERT J. METLI

*ALSO ADMITTED IN MICHIGAN

NEW APPLICATION ORIGINAL



0000019548

tel. 602.971.4800 • fax 602.953.3621

www.loosebrown.com

May 13, 2005

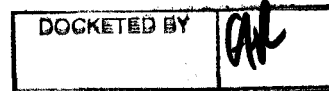
Arizona Corporation Commission
DOCKETED

OF COUNSEL:
FREY & McCUE
GARY M. GALLNER
Writer's E-mail:
robert@loosebrown.com

MAY 16 2005

Docket Control
ARIZONA CORPORATION COMMISSION
Utilities Division
1200 West Washington Street
Phoenix, Arizona 85007

W-01431A-05-0351



**RE: Application of Valle Verde Water Company for an Increase in its
Water Rates for Customers Within Santa Cruz County, Arizona**

To Whom It May Concern:

We represent Valle Verde Water Company in the above-referenced matter. Attached is the Application by Valle Verde Water Company for an increase in its water rates for customers within Santa Cruz County, Arizona. Please direct all correspondences to this office.

Very truly yours,

LOOSE, BROWN & ASSOCIATES, P.C.

Robert J. Metli
Attorney for Applicant

RJM:adlc
Enclosure

cc: Frank Randall
Spencer A. Smith, Esq.

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MONITORING ASSISTANCE PROGRAM ANNUAL SAMPLING
FEE INVOICE, 2005**



1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 JEFF HATCH-MILLER

3 Chairman

4 MARC SPITZER

5 Commissioner

6 WILLIAM A. MUNDELL

7 Commissioner

8 MIKE GLEASON

9 Commissioner

10 KRISTEN MAYES

11 Commissioner

12 IN THE MATTER OF THE)
13 APPLICATION OF VALLE VERDE WATER)
14 COMPANY, INC. FOR AN INCREASE IN)
15 ITS WATER RATES FOR CUSTOMERS)
16 WITHIN SANTA CRUZ COUNTY,)
17 ARIZONA)

18 **DIRECT**
19 **TESTIMONY**
20 **OF**
21 **SONN S. ROWELL**
22 **MAY 13, 2005**

23 Robert J. Metli, Esq.
24 LOOSE, BROWN & ASSOCIATES, P.C.
25 11209 N. Tatum Blvd., #130
26 Phoenix, Arizona 85028
27 Attorneys for Valle Verde Water Company, Inc.
28

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**VALLE VERDE WATER COMPANY
DIRECT TESTIMONY OF
SONN S. ROWELL**

INTRODUCTION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Sonn S. Rowell. I am a managing member of Desert Mountain Analytical Services, PLLC., located at P.O. Box 51267, Ahwatukee, Arizona 85076.

Q. By whom are you employed and in what capacity?

A. I have been retained by Valle Verde Water Company to perform a financial analysis of their books and records in order to prepare an application on their behalf to be filed with the Arizona Corporation Commission for an increase in its water rates for its customers in Santa Cruz County.

Q. Please describe your educational background and work experience.

A. I hold a Bachelor of Science degree with a major in accounting from Arizona State University. I have obtained an accountancy teaching certificate No. 19397 from the State Board of Directors for Community Colleges of Arizona in Phoenix, Arizona. I am a Certified Public Accountant licensed by the Arizona State Board of Accountancy. From 1994 through 1996, I was a staff accountant for Family Service Agency in Phoenix, Arizona. Between 1996 and 1998, I held various positions in both the staff and senior accounting levels. My job responsibilities included the preparation of spreadsheets, sales and property tax reports, and CAM reconciliations for numerous industrial business parks. I also was responsible for the preparing Bills of Materials (BOMs) for government contracts. My job responsibilities also included the posting of cash receipts, cash disbursements, as well as to maintain general ledger accounts and preparing financial statements and payroll for various companies.

1 From 1998 through 2002, I was employed by the Arizona Corporation Commission,
2 first as a Utility Auditor III and thereafter as a Rate Analyst II. As a Utility Auditor III,
3 my job classification included the analysis and determination of rate increase
4 applications for public utilities. I was responsible for conducting on-site inspections of
5 utilities assets. I audited utility expenses and plant additions as part of my analysis of
6 the rate applications. This included having to coordinate with other departments
7 regarding specialty areas of utility analysis. My duties also included the review and
8 analysis of financial records and other documents of regulated utilities for accuracy,
9 consistency, completeness and reasonableness. I also prepared work papers and
10 schedules supporting expert testimony and staff reports in connection with utility
11 applications for increases in rates, financings, and other matters.

12 As a Rate Analyst II, my job classification included an analysis of the necessity and
13 amount of revenue recommended in utility rate case proceedings. I revised standard
14 filing documents, trained new employees, and reviewed peer work product. In addition,
15 I analyzed various tariff filings to determine the impact on the company's financial
16 conditions. I also lead advisory groups formed to develop recommended policies and
17 procedures to regulate utilities.

18 From 2002 to 2004, I operated as a sole proprietor. In 2002, I organized Desert
19 Mountain Analytical Services, PLLC. My primary business in both structures is to
20 assist my small business clients regularly with financial and accounting issues.
21 Additionally, I prepare quarterly and year-end payroll reporting for clients, corporate
22 and individual tax returns, as well as prepare annual reports for the Arizona Corporation
23 Commission utilities and corporation divisions. In addition, I represent water utilities
24 before the Arizona Corporation Commission for rate increases and financing
25 applications.
26
27
28

1 **PURPOSE OF TESTIMONY**

2 **Q. What is the purpose of your testimony in this proceeding?**

3 A. The purpose of my testimony in this proceeding is to present my analysis and
4 recommendations concerning the development of Valle Verde Water Company's gross
5 revenue requirements taking into account the company's adjusted rate base, adjusted
6 operating income, working capital requirements, current rate of return, required
7 operating income, and required rate of return for the historic twelve month period
8 ending September 30, 2004, and to sponsor the Exhibits that support the proposed
9 increase needed by Valle Verde Water Company in gross revenue requirements.
10
11

12 **BACKGROUND**

13 **Q. Please provide a brief description of Valle Verde Water Company and the services
14 it provides.**

15 A. Valle Verde Water Company Water Company is a sole proprietorship located in Santa
16 Cruz County, approximately 8 miles north of Nogales. The water system is located
17 within the Santa Cruz active management area, and is subject to conservation and
18 monitoring requirements.

19 **Q. When did Valle Verde last seek a rate increase?**

20 A. Valle Verde Water Company's prior rate case was filed on October 25, 1995, and used a
21 test year ending December 31, 1994. The current permanent rates were granted per
22 Decision No. 59553 dated March 13, 1996. During the previous test year, the company
23 served approximately 689 customers, most often through a 5/8 by 3/4" meter, or a 3/4"
24 meter.
25

26 **Q. What did Decision No. 59553 authorize for Valle Verde Water Company?**

27 A. Decision No. 59553 approved an original cost rate base of \$106,740 which was the
28

1 same as its fair value rate base. The rates and charges approved by the Arizona
2 Corporation Commission were designed to produce operating revenue of \$202,321,
3 which was an increase of \$25,816 or 14.63% over prior test year revenue. This increase
4 resulted in an 11.49% rate of return on fair value rate base. The approved rates
5 increased the average monthly customer bill by 13.7%, from \$19.16 to \$21.78.

6 **Q. Can you identify Valle Verde Water Company's customer base?**

7 A. During the current test year ending September 30, 2004, Valle Verde Water Company
8 served an average of 666 residential and 65 commercial customers. The majority of the
9 customers were served by either a 5/8 by 3/4" meter (264 customers) or a 3/4" meter (378
10 customers). The remaining customers are served by a 1", 1.5" or 2" meter. Commercial
11 customers are served by a range of seven meter sizes, from 5/8 by 3/4" to 4".

12 **Q. What is the average monthly customer bill for Valle Verde?**

13 A. The average monthly customer bill for a 5/8 x 3/4" meter was \$20.14 for 7,500 gallons
14 during the test year ending September 30, 2004. During the same period, the average
15 monthly customer bill for a 3/4" meter was \$20.73 for 7,800 gallons.

16 **SUMMARY OF TESTIMONY AND RECOMMENDATIONS**

17 **Q. Please summarize the company's proposal.**

18 A. The company's rate application requests an increase in gross revenue of \$175,108.00, or
19 a rate increase of 60% for residential customers and 92% for commercial customers.

20 **Q. What is the basis for your recommendation?**

21 A. I analyzed the company's books and records to determine the company's current
22 revenues and expenses during the test year in order to calculate whether the company is
23 entitled to an increase in revenues in order for it to meet its expenses as well as to earn
24 sufficient revenue to maintain service quality and reliability. My analysis consisted of
25 examining the company billing records, cash disbursement journals, plant records and
26 payroll reports. I applied accounting principles in accordance with the Commission-
27 authorized National Association of Regulatory Commissioners ("NARUC") Uniform
28

1 System of Accounts ("USOA"). In preparing for this case, I visited the company's
2 facilities and reviewed previous rate and other commission decisions applicable to this
3 company. Based upon my analysis, I have prepared the following schedules in
4 accordance with AACR 14-2-103.

5 **Q. What Test Year was used by the company in this filing?**

6 A. Valle Verde used the historical Test Year covering the 12 months ended September 30,
7 2004.

8 **SUMMARY OF SCHEDULES**

9
10 **Q. Please identify the Exhibits and associated schedules you are sponsoring.**

11 A. I am sponsoring the following schedules:

12 A-1 – Valle Verde Water Company's Computation of Increase in Gross Revenue
13 Requirements

14 A-2 – Valle Verde Water Company's Summary of Operations

15 A-4 – Valle Verde Water Company's Construction Expenditures and Gross Utility Plant
16 and Service

17 B – 1 – Valle Verde Water Company's Summary of Original Costs and RCND Rate
18 Base

19 B-2 – Valle Verde Water Company's Original Cost Rate Base Pro Forma Adjustments

20 B – 5 – Valle Verde Water Company's Computation of Working Capital

21 C – 1 – Valle Verde Water Company's Adjusted Test Year Income Statement

22 C – 2 – Valle Verde Water Company's Income Statement Pro Forma Adjustments

23 C – 3 – Valle Verde Water Company's Computation of Gross Revenue Conversion
24 Factor

25 D – 1 – Valle Verde Water Company's Summary Cost of Capital

26 E – 1 – Valle Verde Water Company's Comparative Balance Sheet;

27 E – 2 – Valle Verde Water Company's Comparative Income Statements;
28

1 E - 5 - Valle Verde Water Company's Detail of Utility Plant;

2 E - 7 - Valle Verde Water Company's Operating Statistics;

3 E - 8 - Taxes charged to operations;

4 E - 9 - Notes to Financial Statements;

5 F - 1 - Valle Verde Water Company's Projected Income Statements, present and
6 proposed rates;

7 F - 3 - Valle Verde Water Company's Projected Construction Requirements;

8 F - 4 - Assumptions Used in Developing Projections;

9 H - 1 - Valle Verde's Summary of Revenues by Customer Class - present and proposed
10 rates;

11 H - 3 - Change in Representative Rate Schedules

12 H - 4 - Typical Bill Analysis

13 H - 5 - Bill Count

14 **Q. Ms. Rowell, were these exhibits prepared by you or under your direction and**
15 **supervision?**

16 **A.** Yes, they were.

17
18 **REVENUE REQUIREMENTS- SUMMARY SCHEDULES**

19 **Q. Please summarize the information contained within the required Schedules A-1, A-**
20 **2, and A-4 for class "C" utilities.**

21 **A.** The "A" schedules summarize the information contained in more detail in the other
22 schedules that relate to plant in service, results of operations for the test year and prior
23 years, and the calculation of the increase in gross revenue requirement.

24 **Q. What is the overall requested increase in the gross revenue requirement, as well**
25 **as the impact on both residential and commercial customers?**

26 **A.** As calculated, the increase in gross revenue required is approximately \$175,108. This
27 amount will result in a rate increase of 60% for residential customers and 92% for
28

commercial customers.

RATE BASE SCHEDULES

Q. What is the rate base calculation for the test year?

A. Calculation of the (\$170,422) rate base is detailed in Schedule B-1. This total amount includes \$2,362,082 of adjusted gross utility plant in service less \$998,651 of accumulated depreciation, resulting in a net utility plant in service of \$1,363,432. Subtracted from the net utility plant in service is \$1,487,470 of Advances for Construction, and \$72,677 of net Contributions in Aid of Construction. Finally an allowance for working capital of \$23,293 is added to arrive at the total rate base.

Q. Please summarize the proforma adjustment that is highlighted on Schedule B-2.

A. A proforma adjustment of \$395,185 increased plant in service from \$1,966,898 to \$2,362,083. This increase is the result of a line extension advance that was put into service in January of 2005.

Q. Please detail this proforma increase of \$395,185 by plant account.

| | |
|--|-----------|
| A. Wells and springs | \$32,092 |
| Pumping equipment | \$113,672 |
| Distribution reservoirs and standpipes | \$112,188 |
| Transmission and distribution mains | \$137,233 |

Q. Does line item 4, Customers' Advances for Construction, also reflect this increase?

A. Yes. Schedule B-1 has \$1,487,470 in Advances, which is a \$395,185 increase over the \$1,092,285 at the end of the Test year as per Schedule E-1.

Q. Schedule B-1, line 7 indicates that Total Rate Base is negative \$170,422, is this correct?

A. Yes. Due to years of depreciation expense at a five percent rate, advances, and contributions in aid of construction, the resultant rate base amount is negative.

1 **INCOME STATEMENTS**

2 **Q. Please explain the proforma adjustments on Schedules C-1 and C-2.**

3 A. Adjustment A is the \$175,000 increase in the revenue requirement necessary for the
4 company to remain viable.

5 Adjustment B increases salaries and wages by \$31,430 from \$80,565 to \$111,995. This
6 increase will adjust wages for the company's full time staff of 6 to hourly rates between
7 \$6.25 and \$8.25 per hour.

8 Adjustment C increases rate case expense by \$10,000 to include a total of \$30,000
9 amortized over three years.

10 Adjustment D increases depreciation expense by \$20,025 to include all plant in service
11 at the end of the test year at the approved five percent rate. This depreciation expense
12 amount does not include the plant proforma increase amount.

13 Adjustment E increases property taxes by \$122 to reflect the most recent tax bills
14 received by Valle Verde Water Company from Santa Cruz county.

15 Adjustment F increases taxes other than income by \$2,480 to include payroll taxes for
16 the adjusted amount of salaries and wages.

17 **COST OF CAPITAL**

18 **Q. Schedule D-1 indicates that Valle Verde Water Company's capital structure is**
19 **comprised only of equity and deferrals, is this correct?**

20 A. Yes. Valle Verde Water Company does not have any debt; therefore, the capital
21 structure contains only negative common equity and deferrals, which are the Advances
22 in Aid of Construction and Contributions in Aid of Construction.

23 **FINANCIAL STATEMENTS/STATISTICAL ANALYSIS**

24 **Q. Please describe the important aspects of the "E" Series schedules.**

25 A. Schedule E-1 compares the test year balance sheet (ended September 30, 2004) with
26 prior years 2003 and 2002.

1 Schedule E-2 compares the test year income statements also with prior years 2003 and
2 2002.

3 Schedule E-5 contains detail of the net additions to plant in service during the test year
4 of \$3,118.

5 Schedules E-7, E-8, and E-9 provide statistical information and other financial
6 information related to water utility operations.

7 **PROJECTIONS AND FORECASTS**

8 **Q. What information is included in the "F" Series schedules?**

9 A. Schedule F-1 compares current operating results and applies different revenue and
10 expense assumptions to project future operating results. The three main areas compared
11 are:

12

| | Revenue compared | Expenses compared |
|------------------|------------------|-------------------|
| Test Year | Actual | Actual |
| Projected Year 1 | Actual | Projected |
| Projected Year 2 | Projected | Projected |

15

16 This schedule details the company's need for a rate increase due to an operating loss of
17 \$124,653, utilizing adjusted expenses at the current rate.

18
19 Schedule F-3 provides detail of test year plant additions as well as plant additions for
20 the projected year. The projected year plant additions are comprised of the plant
21 acquired from the Advance in Aid of Construction placed in service in January of 2005.

22
23 The F-4 Schedule contains assumptions used in developing customer growth
24 projections, customer water demand, and changes in expenses.

1 **COST OF SERVICE ANALYSIS**

2
3 **Q. Ms. Rowell, did you do a cost of service analysis?**

4 A. No. These schedules are optional, and therefore, not included.
5

6 **BILL COUNTS**

7
8 **Q. How were the proposed monthly usage charges as reflected on Schedule H-3**
9 **determined?**

10 A. The optimal base meter size of the 5/8 by 3/4 inch meter was determined initially, and
11 the remaining sized meters monthly charges were calculated using the multiplier
12 amounts commonly used by the Arizona Corporation Commission.

13 **Q. How many tiers is Valle Verde Water Company requesting for the commodity**
14 **charge?**

15 A. Three tiers, with rate changes at 4,000 and 12,000 gallons.

16 **Q. What information is reflected in the H-4 schedules?**

17 A. The H-4 schedules compare present rates with proposed rates at various consumption
18 levels, and the percent of increase for the different size of customer meters in use. For
19 example, a customer being served by a 5/8 by 3/4 inch meter that uses 9,000 gallons in a
20 month would see an increase of 36.65%, from \$22.32 to \$30.50. This schedule also
21 details how the rate increase is progressive with increased consumption. Where meter
22 sizes are common, residential and commercial customer analysis is presented together
23 since they pay the same rates and charges.

24 **Q. How many H-5 schedules are included in the application?**

25 A. There are 12 total H-5 schedules, 5 different residential meter sizes and 7 commercial
26 meter sizes.
27
28

1 **Q. What information is presented in the H-5 schedules?**

2 A. The H-5 schedules present bill count information for each class of service (residential or
3 commercial) and meter size. Referring to the H-5 schedule for a residential 5/8 by 3/4
4 inch meter, details of the customer usage distribution by thousands of gallons is
5 presented. At the 14,001 to 16,000 gallon consumption level, 55 bills were issued to
6 customers for total gallons of 825,000. Of the 3,168 bills issued to customers for this
7 class and meter size, an average of 264 monthly customers used an average of 7,456
8 gallons. The median consumption level was at approximately 5,800 gallons.

9 **Q. Does this conclude your testimony?**

10 A. Yes it does.
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INDEX OF SCHEDULES **REGULATION R14-2-103**

| | | |
|---|------------|---|
| Summary Schedules | A-1 | Computation of Increase in Gross Revenue Requirements |
| | A-2 | Summary Results of Operations |
| | A-3 | Summary of Capital Structure (not included, Classes A & B only) |
| | A-4 | Construction Expenditures and Gross Utility Plant In Service |
| | A-5 | Summary Changes in Financial Position (not included, Classes A & B only) |
| Rate Base Schedules | B-1 | Summary of Original Cost and RCND |
| | B-2 | Original Cost Rate Base Proforma Adjustments |
| | B-3 | RCND Rate Base Pro Forma Adjustments (not included, Classes A & B only) |
| | B-4 | RCND by Major Plant Accounts (not included, Classes A & B only) |
| | B-5 | Computation of Working Capital |
| Income Statements | C-1 | Adjusted Test Year Income Statement |
| | C-2 | Income Statement Proforma Adjustments |
| | C-3 | Computation of Gross Revenue Conversion Factor |
| Cost of Capital | D-1 | Summary Cost of Capital |
| | D-2 | Cost of Long Term and Short Term Debt (not included, Classes A & B only) |
| | D-3 | Cost of Preferred Stock (not included, Classes A & B only) |
| | D-4 | Cost of Common Equity (not included, Classes A & B only) |
| Financial Statements/ Statistical Analysis | E-1 | Comparative Balance Sheet |
| | E-2 | Comparative Income Statements |
| | E-3 | Comparative Statement of Changes in Financial Position (not included, Classes A & B only) |
| | E-4 | Statement of Changes in Stockholders' Equity (not included, Classes A & B only) |
| | E-5 | Detail of Utility Plant |
| | E-6 | Comparative Departmental Operating Income Statements (combination utilities only) |
| | E-7 | Operating Statistics |
| | E-8 | Taxes Charged to Operations |
| | E-9 | Notes to Financial Statements |
| Projections and Forecasts | F-1 | Projected Income Statements - Present and Proposed Rates |
| | F-2 | Projected Changes in Financial Position - Present and Proposed Rates (not incl, A & B only) |
| | F-3 | Projected Construction Requirements |
| | F-4 | Assumptions Used in Developing Projection |
| Cost of Service Analysis | G-1 to G-7 | (Not included - Special Requirement Only) |
| Bill Counts | H-1 | Summary of Revenues by Customer Class - Present and Proposed Rates |
| | H-2 | Analysis of Revenues by Detailed Class of Service (not included, Classes A & B only) |
| | H-3 | Changes In Representative Rate Schedules |
| | H-4 | Typical Bill Analysis |
| | H-5 | Bill Count |

**ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX A
SUMMARY SCHEDULES**

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: A-1
**Title: Computation of Increase in
Gross Revenue Requirements.**

Explanation:
Schedule showing computation of increase in
gross revenue requirements and spread of revenue
increase by customer classification.

| | | |
|---------------|---------------|--|
| Required for: | All Utilities | <input checked="checked" type="checkbox"/> |
| | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| | Special Reqmt | <input type="checkbox"/> |

| | Original Cost | | RCND | |
|---|------------------|----|-------|-----|
| 1. Adjusted Rate Base | \$ (170,422) (a) | \$ | - | (a) |
| 2. Adjusted Operating Income | (60,596) (b) | \$ | - | (b) |
| 3. Current Rate of Return | 0.00% | | 0.00% | |
| 4. Required Operating Income | \$ 50,347 | \$ | - | |
| 5. Required Rate of Return | 12.00% | | 0.00% | |
| 6. Operating Income Deficiency (#4 - #2) | \$ 110,943 | \$ | - | |
| 7. Gross Revenue Conversion Factor | 1.0680 (c) | | | (c) |
| 8. Increase in Gross Revenue Requirements (#6 x #7) | \$ 118,483 | \$ | - | |

| Customer Classification | Projected Revenue Increase | |
|-------------------------|----------------------------|-------------------|
| | Due to Rates | % Dollar Increase |
| Residential | \$ 104,560 | 60% (d) |
| Commercial | 70,548 | 92% |
| Industrial | | |

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:
(a) B-1 (c) C-3
(b) C-1 (d) H-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: A-2
Title: Summary Results of Operations

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

Explanation:

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

| Description | Prior Years | | Test Year | | Projected Year |
|---|-------------|-------------|--------------|------------------|----------------|
| | Year End | Year End | Actual | Adjusted | Proposed |
| | 2003 (a) | 2002 (a) | Rates (a) | Rates (b) (c) | Rates (c) |
| 1. Gross Revenues | \$ 254,718 | \$ 260,297 | \$ 251,272 | \$ 426,272 | \$ 426,272 |
| 2. Revenue Deductions & Operating Expenses | 322,100 | 343,035 | 311,868 | 311,868 | 375,925 |
| 3. Operating Income | (67,382) | (82,738) | (60,596) | 114,404 | 50,347 |
| 4. Other Income and Deductions | - | - | - | - | - |
| 5. Interest Expense | - | - | - | - | - |
| 6. Net Income | (67,382) | (82,738) | (60,596) | 114,404 | 50,347 |
| 7. Earned Per Average Common Share* | N/A | N/A | N/A | N/A | N/A |
| 8. Dividends Per Common Share* | N/A | N/A | N/A | N/A | N/A |
| 9. Payout Ratio* | N/A | N/A | N/A | N/A | N/A |
| 10. Return on Average Invested Capital | - | - | - | - | - |
| 11. Return on Year End Capital | - | - | - | - | - |
| 12. Return on Average Common Equity | - | - | - | - | - |
| 13. Return on Year End Common Equity | - | - | - | - | - |
| 14. Times Bond Interest Earned - Before Inc Tax | N/A | N/A | N/A | N/A | N/A |
| 15. Times Total Interest and Preferred Dividends Earned - After Income Taxes | N/A | N/A | N/A | N/A | N/A |

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

*Optional for projected year

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: A-4

Title: Construction Expenditures and
Gross Utility Plant in Service

Explanation:

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities
Class A
Class B
Class C
Class D
Speci Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Year | Construction Expenditures (a) | Net Plant Placed In Service (b) | Gross Utility Plant In Service |
|---------------------|----------------------------------|------------------------------------|--------------------------------|
| 1. Prior Year 2002 | | \$ 18,329 | \$ 1,981,551 |
| 2. Prior Year 2003 | | (17,771) | 1,963,780 |
| 3. Test Year | | 3,118 | 1,966,898 |
| 4. Projected Year | 395,185 | 395,185 | 2,362,083 |
| 5. Projected Year * | | | |
| 6. Projected Year * | | | |

* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX B
RATE BASE SCHEDULES**

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

**Schedule: B-1
Title: Summary of Original Cost
and RCND**

Explanation:
Schedule showing elements of adjusted original cost
and RCND rate bases.

Required for: All Utilities
 Class A
 Class B
 Class C
 Class D
 Specl Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| | Original Cost Rate Base* | RCND Rate Base* | |
|---|-----------------------------|--------------------|-----|
| 1. Gross Utility Plant in Service | \$ 2,362,083 | N/A | |
| 2. Less: Accumulated Depreciation | 998,651 | N/A | |
| 3. Net Utility Plant in Service | \$ 1,363,432 (a) | N/A | (b) |
| Less: | | | |
| 4. Customers' Advances for Construction | \$ 1,487,470 (c) | N/A | (c) |
| 5. Contributions in Aid of Construction | 72,677 (c) | N/A | (c) |
| Add: | | | |
| 6. Allowance for Working Capital | \$ 26,293 (d) | N/A | (d) |
| 7. Total Rate Base | \$ (170,422) (e) | N/A | (e) |

* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) B-3
- (c) E-1

Recap Schedules:

- (e) A-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: B-2
Title: Original Cost Rate Base
Proforma Adjustments

Explanation:
Schedule showing pro forma adjustments to gross plant
in service and accumulated depreciation for the original
cost rate base.

| | | |
|---------------|---------------|--|
| Required for: | All Utilities | <input checked="checked" type="checkbox"/> |
| | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| | Spec'l Reqmt | <input type="checkbox"/> |

| | <u>Actual at End</u> | | <u>Proforma</u> | <u>Adjusted at End</u> | |
|-----------------------------------|-------------------------|-----------|-------------------|-------------------------|-----------|
| | <u>Of Test Year (a)</u> | | <u>Adjustment</u> | <u>Of Test Year (b)</u> | |
| 1. Gross Utility Plant in Service | \$ | 1,966,898 | \$ 395,185 | \$ | 2,362,083 |
| 2. Less: Accumulated Depreciation | | 998,651 | - | \$ | 998,651 |
| 3. Net Utility Plant in Service | \$ | 968,247 | 395,185 | \$ | 1,363,432 |

All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-1

Recap Schedules:
(b) B-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: B-5
Title: Computation of Working
Capital

Explanation:
Schedule showing computation of working capital allowance.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

| | <u>Amount</u> | |
|---------------------------------------|---------------|-----|
| 1. Cash working capital | | |
| 1/24th Purchased Power | \$ 1,489 | |
| 1/24th Purchased Water | 53 | |
| 1/8th Operation & Maintenance Expense | 24,752 | |
| 2. Materials and Supplies Inventories | - | (a) |
| 3. Prepayments | - | (a) |
| 4. Total Working Capital Allowance | \$ 26,293 | (b) |

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:
(a) E-1

Recap Schedules:
(b) B-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX C
TEST YEAR INCOME STATEMENTS

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: C-1
Title: Adjusted Test Year Income Statement

Explanation:
Schedule showing statement of income for the test year,
including pro forma adjustments.

Required for:

| | |
|---------------|---|
| All Utilities | X |
| Class A | |
| Class B | |
| Class C | |
| Class D | |
| Spec'l Reqmt | |

| Description | Actual for the Test Year Ended (a) | Proforma Adjustments (b) | | Test Year Results After Pro Forma Adjustments |
|-------------------------------------|--|--------------------------------|---|--|
| Revenues: | | | | |
| Metered Water Revenue | \$ 251,272 | \$ 175,000 | A | \$ 426,272 |
| Other Water Revenue | - | - | | - |
| Total Operating Revenue | \$ 251,272 | \$ 175,000 | | \$ 426,272 |
| Expenses: | | | | |
| Salaries & Wages | \$ 80,565 | \$ 31,430 | B | \$ 111,995 |
| Purchased Water | 1,267 | | | 1,267 |
| Purchased Power | 35,726 | | | 35,726 |
| Chemicals | 1,529 | | | 1,529 |
| Repairs & Maintenance | 15,178 | | | 15,178 |
| Office Supplies and Expense | 14,908 | | | 14,908 |
| Outside Services | 1,882 | | | 1,882 |
| Water Testing | 10,312 | | | 10,312 |
| Rental Expense | 550 | | | 550 |
| Transportation Expense | 21,843 | | | 21,843 |
| Insurance - General Liability | 8,863 | | | 8,863 |
| Insurance - Health and Life | - | | | - |
| Rate Case Expense | - | 10,000 | C | 10,000 |
| Miscellaneous Expense | 953 | | | 953 |
| Depreciation & Amortization | 93,768 | 20,025 | D | 113,793 |
| Property Taxes | 17,303 | 122 | E | 17,425 |
| Taxes Other Than Income | 7,222 | 2,480 | F | 9,702 |
| Income Taxes | - | | | - |
| Total Expenses | \$ 311,868 | \$ 64,057 | | \$ 375,925 |
| OPERATING INCOME/(LOSS) | \$ (60,596) | \$ 110,943 | | \$ 50,347 (c) |
| Other Income/(Expense): | | | | |
| Interest Income | | | | - |
| Interest Expense | | | | - |
| Total Other Income/(Expense) | - | - | | - |
| NET INCOME/(LOSS) | \$ (60,596) | \$ 110,943 | | \$ 50,347 |

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) E-2 (b) C-2

Recap Schedules:
(c) A-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: C-2
Title: Income Statement Proforma
Adjustments

Required for: All Utilities

☒

Class A

☐

Class B

☐

Class C

☐

Class D

☐

Spec'l Reqmt

☐

Explanation:
Schedule itemizing pro forma adjustments to the test year
income statement.

| Description | A | B | C | D | E | F | Total (a) Adjustments |
|------------------|------------|-----------|-----------|-----------|--------|----------|--------------------------|
| Revenues: | \$ 175,000 | | | | | | \$ 175,000 |
| Expenses: | | \$ 31,430 | \$ 10,000 | \$ 20,025 | \$ 122 | \$ 2,480 | \$ 64,057 |
| Operating Income | | | | | | | \$ 110,943 |
| Net Income | | | | | | | \$ 110,943 |

A - Increase revenue to generate required Operating Margin.

B - Increase salaries and wages expense to account for 6 full time employees at \$6.25 - \$8.25 per hour.

C - Increase expense to include \$30,000 of rate case expense amortized over 3 years.

D - Increase depreciation expense to adjust amount to rate authorized by the ACC.

E - Increase property tax expense to adjust to most recently received statement.

F - Increase payroll tax expense to include additional taxes due on adjustment B.

Adjustments are explained in more detail in the attached testimony.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules: Recap Schedules:
(a) C-1

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: C-3
Title: Computation of Gross Revenue
Conversion Factor

Explanation:
Schedule showing incremental taxes on gross revenues and
the development of a gross revenue conversion factor.

| | | |
|---------------|---------------|-------------------------------------|
| Required for: | All Utilities | <input checked="" type="checkbox"/> |
| | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| | Speci Reqmt | <input type="checkbox"/> |

| Description | Percentage of Incremental Gross Revenues |
|--|--|
| Federal Income Taxes | 0.00% |
| State Income Taxes | 0.00% |
| Other Taxes and Expenses: | |
| Payroll Taxes | 2.28% |
| Property Taxes | 4.09% |
| | <hr/> |
| Total Tax Percentage | 6.36% |
| Operating Income % = 100% - Tax Percentage | 93.64% |
| 1/Operating Income % = Gross Revenue Conversion Factor | 1.0680 |

Note: All tax percentages shall include the effect of other taxes upon the incremental rate. The applicant may use other formulas in developing the conversion factor.

Supporting Schedules:

Recap Schedules:
(a) A-1

**ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX D
COST OF CAPITAL**

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: D-1
Title: Summary Cost of Capital

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

Explanation:
Schedule showing elements of capital structure
and the related cost.

| Invested Capital | Amount | End of Test Year | | | Composite Cost % | End of Projected Year | | | Composite Cost % |
|---------------------|--------------|------------------|------------------|-------|---------------------|-----------------------|------------------|--------|---------------------|
| | | % | Cost Rate (e) | | | % | Cost Rate (e) | | |
| Long-Term Debt (a) | \$ - | | | | | \$ - | | | |
| Preferred Stock (b) | - | | | | | - | | | |
| Common Equity (c) | (148,250) | -14.58% | 12.00% | 0.00% | | (208,250) | -14.58% | 12.00% | 0.00% |
| Short-Term Debt (a) | - | | | | | - | | | |
| Deferrals (d) | 1,164,962 | 114.58% | 4.00% | 4.58% | | 1,150,087 | 114.58% | 4.00% | 4.58% |
| | \$ 1,016,712 | 100.00% | 16.00% | 4.58% | | \$ 941,837 | 100.00% | 16.00% | 4.58% |

Supporting Schedules:
(a) D-2
(b) D-3
(c) D-4
(d) E-1

Recap Schedules:
(e) A-3

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX E
FINANCIAL STATEMENTS AND STATISTICAL SCHEDULES

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-1
Title: Comparative Balance
Sheet

Explanation:
Schedule showing comparative balance sheets at the end of the
test year and the 2 fiscal years ended prior to the test year.

| | | |
|---------------|---------------|--|
| Required for: | All Utilities | <input checked="checked" type="checkbox"/> |
| | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| | Spec'l Reqmt | <input type="checkbox"/> |

| | Test Year At 09/30/04 | Prior Year At 12/31/2003 | Prior Year At 12/31/2002 |
|--|--------------------------|-----------------------------|-----------------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash | \$ 68,189 | \$ 47,473 | \$ 47,220 |
| Accounts Receivable | 23,681 | 41,296 | 37,919 |
| Misc Current and Accrued Assets | 3,433 | 3,751 | 3,931 |
| TOTAL CURRENT ASSETS | \$ 95,304 | \$ 92,520 | \$ 89,070 |
| PROPERTY, PLANT & EQUIPMENT (a) | | | |
| Utility Plant in Service | \$ 1,966,898 | \$ 1,963,780 | \$ 1,981,551 |
| Accumulated Depreciation - Utility Plant | (998,651) | (928,296) | (952,556) |
| TOTAL PROPERTY, PLANT & EQUIPMENT | \$ 968,247 | \$ 1,035,484 | \$ 1,028,995 |
| TOTAL ASSETS | \$ 1,063,550 | \$ 1,128,004 | \$ 1,118,065 |
| LIABILITIES & STOCKHOLDERS EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Accounts Payable | \$ - | \$ - | \$ - |
| Customer Deposits | 43,353 | 41,330 | 39,345 |
| Accrued Taxes | 3,485 | 995 | 2,436 |
| TOTAL CURRENT LIABILITIES | \$ 46,838 | \$ 42,325 | \$ 41,781 |
| LONG-TERM NOTES AND BONDS | - | \$ - | - |
| DEFERRED CREDITS | | | |
| Advances in Aid of Construction | \$ 1,092,285 | \$ 1,100,487 | \$ 1,108,654 |
| Contributions in Aid of Construction | 137,593 | 137,593 | 137,593 |
| Less: Amortization of Contributions | (64,916) | (58,341) | (51,766) |
| TOTAL DEFERRED CREDITS | \$ 1,164,962 | \$ 1,179,739 | \$ 1,194,481 |
| TOTAL LIABILITIES | \$ 1,211,800 | \$ 1,222,064 | \$ 1,236,262 |
| CAPITALIZATION (b) | | | |
| Proprietary Capital | \$ (148,250) | \$ (94,060) | \$ (118,197) |
| TOTAL LIABILITIES AND STOCKHOLDERS EQUITY | \$ 1,063,550 | \$ 1,128,004 | \$ 1,118,065 |

Supporting Schedules:
(a) E-5

Recap Schedules:
(b) A-3

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-2
Title: Comparative Income
Statements

Explanation:
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

| | Test Year Ended 30-Sep-04 | Prior Year Ended 31-Dec-03 | Prior Year Ended 31-Dec-02 |
|--|---------------------------------|----------------------------------|----------------------------------|
| Revenues: (a) | | | |
| Metered Water Revenue | \$ 251,272 | \$ 250,341 | \$ 256,263 |
| Other Water Revenue | - | 4,377 | 4,034 |
| Total Revenue | \$ 251,272 | \$ 254,718 | \$ 260,297 |
| Operating Expenses: (a) | | | |
| Salaries & Wages | \$ 80,565 | \$ 101,333 | \$ 119,494 |
| Purchased Water | 1,267 | 1,219 | 1,154 |
| Purchased Power | 35,726 | 27,781 | 25,486 |
| Chemicals | 1,529 | 1,293 | 723 |
| Repairs & Maintenance | 15,178 | 22,082 | 18,043 |
| Office Supplies and Expense | 14,908 | 13,468 | 17,254 |
| Outside Services | 1,882 | 3,061 | 5,284 |
| Water Testing | 10,312 | 9,123 | 5,492 |
| Rental Expense | 550 | 1,621 | 3,255 |
| Transportation Expense | 21,843 | 15,609 | 18,169 |
| Insurance - General Liability | 8,863 | 9,002 | 7,562 |
| Insurance - Health and Life | - | - | - |
| Rate Case Expense | - | 556 | 475 |
| Miscellaneous Expense | 953 | - | - |
| Depreciation & Amortization | 93,768 | 93,652 | 92,585 |
| Property Taxes | 17,303 | 15,632 | 21,508 |
| Taxes Other Than Income | 7,222 | 6,668 | 6,551 |
| Income Taxes | - | - | - |
| Total Operating Expenses | \$ 311,868 | \$ 322,100 | \$ 343,035 |
| OPERATING INCOME/(LOSS) (a) | \$ (60,596) | \$ (67,382) | \$ (82,738) |
| Other Income/(Expense): | | | |
| Interest Income | \$ - | \$ - | \$ - |
| Interest Expense | - | - | - |
| Total Other Income/(Expense) | \$ - | \$ - | \$ - |
| NET INCOME/(LOSS) | \$ (60,596) | \$ (67,382) | \$ (82,738) |
| Preferred Dividends | N/A | N/A | N/A |
| Earnings Available for Common Stock | N/A | N/A | N/A |
| Earnings Per Share of Average Common Stock Outstanding | N/A | N/A | N/A |

Supporting Schedules:
(a) E-6

Recap Schedules:
A-2

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-5
Title: Detail of Utility Plant

Required for: All Utilities ☒
Class A ☐
Class B ☐
Class C ☐
Class D ☐
Spec'l Reqmt ☐

Explanation:

Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

| Account Number | Description | End of Prior Year at 31-Dec-03 | Net Additions | End of Test Year at 30-Sep-04 |
|-------------------------------|-----------------------------------|--------------------------------------|------------------|-------------------------------------|
| 302 | Franchises | \$ 125 | | \$ 125 |
| 303 | Land & Land Rights | 86,093 | | 86,093 |
| 304 | Structures & Improvements | 500,114 | | 500,114 |
| 307 | Wells & Springs | 113,694 | | 113,694 |
| 311 | Pumping Equipment | 157,764 | 3,118 | 160,882 |
| 320 | Water Treatment Equipment | 4,533 | | 4,533 |
| 330 | Distr Res/Standpipes | 282,779 | | 282,779 |
| 331 | T&D Mains | 505,771 | | 505,771 |
| 333 | Services | 50,719 | | 50,719 |
| 334 | Meters & Meter Installations | 76,801 | | 76,801 |
| 335 | Hydrants | 34,359 | | 34,359 |
| 339 | Other Plant and Misc Equipment | - | | - |
| 340 | Office Furniture & Equipment | 16,297 | | 16,297 |
| 341 | Transportation Equipment | 56,483 | | 56,483 |
| 343 | Tools, Shop, and Garage Equipment | 7,803 | | 7,803 |
| 345 | Power Operated Equipment | 44,869 | | 44,869 |
| 348 | Other Tangible Plant | 25,576 | | 25,576 |
| Total Plant in Service | | \$ 1,963,780 | \$ 3,118 | \$ 1,966,898 |
| Accumulated Depreciation | | \$ 928,296 | \$ 70,355 | \$ 998,651 |
| Net Plant in Service | | \$ 1,035,484 | \$ (67,237) | \$ 968,247 |
| Construction Work in Progress | | \$ - | \$ 395,185 | \$ 395,185 |
| Total Net Plant | | \$ 1,035,484 | \$ 327,948 | \$ 1,363,432 |

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

E-1 A-4

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-7
Title: Operating Statistics

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

Explanation:
Schedule showing key operating statistics in comparative format,
for the test year and the 2 fiscal years ended prior to the test year.

| | Test Year Ended 30-Sep-04 | Prior Year Ended 31-Dec-03 | Prior Year Ended 31-Dec-02 |
|--|---------------------------------|----------------------------------|----------------------------------|
| Water Statistics: | | | |
| Gallons Sold - By Class of Service: | | | |
| Residential | 63,478,000 | 70,191,563 | 75,203,151 |
| Commercial | 36,260,000 | 43,201,325 | 43,199,000 |
| Average Number of Customers - By Class of Service: | | | |
| Residential | 666 | 709 | 737 |
| Commercial | 65 | 105 | 95 |
| Average Annual Gallons Per Residential Customer | 95,277 | 99,001 | 102,040 |
| Average Annual Revenue Per Residential Customer | \$ 262.53 | \$ 214.06 | \$ 232.51 |
| Pumping Cost Per 1,000 Gallons | \$ 0.36 | \$ 0.24 | \$ 0.22 |

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-8
Title: Taxes Charged to
Operations

Explanation:
Schedule showing all significant taxes charged to operations for
the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities
Class A
Class B
Class C
Class D
Specd Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Description | Test Year Ended 30-Sep-04 | Prior Year Ended 31-Dec-03 | Prior Year Ended 31-Dec-02 |
|---------------------|---------------------------------|----------------------------------|----------------------------------|
| Federal Taxes: | | | |
| Income | \$ - | \$ - | \$ - |
| Payroll | 6,611 | 6,668 | 6,551 |
| Total Federal Taxes | \$ 6,611 | \$ 6,668 | \$ 6,551 |
| State Taxes: | | | |
| Income | \$ - | \$ - | \$ - |
| Payroll | 610 | - | - |
| Property | 17,303 | 15,632 | 21,508 |
| Total State Taxes | \$ 17,914 | \$ 15,632 | \$ 21,508 |
| Local Taxes | \$ - | \$ - | \$ - |
| Total Taxes | \$ 24,525 | \$ 22,300 | \$ 28,059 |

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: E-9
Title: Notes to Financial
Statements

Explanation:
Disclosure of important facts pertaining to the understanding
of the financial statements.

Required for: All Utilities
Class A
Class B
Class C
Class D
Speci Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

Disclosures should include, but not be limited to the following:

1 Accounting method.

The rate increase application is presented in accrual basis.

2 Depreciation lives and methods employed by major classifications of utility property.

All assets are depreciated by the last rate approved by the ACC in Decision No. 59553, 5 percent,
or 20 years.

3 Income tax treatment - normalization or flow through.

Valle Verde Water Company is structured as a sole proprietorship, and as a result, all income taxes
that may be due are paid by the proprietor.

4 Interest rate used to charge interest during construction, if applicable.

Not applicable.

Supporting Schedules:

Recap Schedules:

**ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX F
PROJECTIONS AND FORECASTS**

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

**Schedule: F-1
Title: Projected Income Statements -
Present and Proposed Rates**

Explanation:
Schedule showing an income statement for the projected year,
compared with actual test year results, at present and proposed
rates.

| | | |
|---------------|---------------|-------------------------------------|
| Required for: | All Utilities | <input checked="" type="checkbox"/> |
| | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| | Spec'l Reqmt | <input type="checkbox"/> |

| Description | Projected Year | | |
|--|----------------------------------|---------------------------------------|--|
| | Actual Test Year Ended (a) | At Present Rates Year Ended (b) | At Proposed Rates Year Ended (b) |
| Revenues: | | | |
| Metered Water Revenue | \$ 251,272 | \$ 251,272 | \$ 426,272 |
| Other Water Revenue | - | - | - |
| Total Operating Revenue | \$ 251,272 | \$ 251,272 | \$ 426,272 |
| Expenses: | | | |
| Salaries & Wages | \$ 80,565 | \$ 111,995 | \$ 111,995 |
| Purchased Water | 1,267 | 1,267 | 1,267 |
| Purchased Power | 35,726 | 35,726 | 35,726 |
| Chemicals | 1,529 | 1,529 | 1,529 |
| Repairs & Maintenance | 15,178 | 15,178 | 15,178 |
| Office Supplies and Expense | 14,908 | 14,908 | 14,908 |
| Outside Services | 1,882 | 1,882 | 1,882 |
| Water Testing | 10,312 | 10,312 | 10,312 |
| Rental Expense | 550 | 550 | 550 |
| Transportation Expense | 21,843 | 21,843 | 21,843 |
| Insurance - General Liability | 8,863 | 8,863 | 8,863 |
| Insurance - Health and Life | - | - | - |
| Rate Case Expense | - | 10,000 | 10,000 |
| Miscellaneous Expense | 953 | 953 | 953 |
| Depreciation & Amortization | 93,768 | 113,793 | 113,793 |
| Property Taxes | 17,303 | 17,425 | 17,425 |
| Taxes Other Than Income | 7,222 | 9,702 | 9,702 |
| Income Taxes | - | - | - |
| Total Expenses | \$ 311,868 | \$ 375,925 | \$ 375,925 |
| OPERATING INCOME/(LOSS) | \$ (60,596) | \$ (124,653) | \$ 50,347 |
| Other Income/(Expense): | | | |
| Interest Income | \$ - | \$ - | \$ - |
| Interest Expense | - | - | - |
| Total Other Income/(Expense) | \$ - | \$ - | \$ - |
| NET INCOME/(LOSS) | \$ (60,596) | \$ (124,653) | \$ 50,347 |
| Earnings per share of average Common Stock Outstanding | N/A | N/A | N/A |
| % Return on Common Equity | 0% | 0% | 0% |

Supporting Schedules:
(a) E-2

Recap Schedules:
(b) A-2

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: F-3
Title: Projected Construction
Requirements

Explanation:
Schedule showing projected annual construction requirements, by
property classification, for 1 to 3 years subsequent to the test year
compared with the test year.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Property Classification | Actual Test Year Ended 9/30/2004 | Projected Test Year Ended 9/30/2005 |
|---|---|--|
| 307 - Wells and Springs | \$ - | \$ 32,092 |
| 311 - Pumping Equipment | 3,118 | 113,672 |
| 330 - Distribution Res/Standpipes | - | 112,188 |
| 331 - Transmission and Distribution Mains | - | 137,233 |
| Total Plant (a) | \$ 3,118 | \$ 395,185 |

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:
(a) F-2 & A-4

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: F-4

Title: Assumptions Used in
Developing Projection

Explanation:
Documentation of important assumptions used in preparing
forecasts and projections

Required for: All Utilities
Class A
Class B
Class C
Class D
Speci Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

Important assumptions used in preparing projections should be explained.

Areas covered should include:

- 1 Customer growth.
As detailed on E-7, residential customers decrease each year, and commercial customers decreased significantly from 2003 to the test year ended September 30, 2004.
- 2 Growth in consumption and customer demand.
As detailed on E-7, residential demand decreases each year, and commercial demand decreased from 2003 to the test year ended September 30, 2004.
- 3 Changes in expenses.
All significant changes to expenses are detailed on C-1, C-2, and within the attached testimony.
- 4 Construction requirements including production reserves and changes in plant capacity.
No new construction anticipated at this time.
- 5 Capital structure changes.
No change in the capital structure is anticipated.
- 6 Financing costs, interest rates.
Financing costs and interest rates are not an issue as there are no loans currently, or requested.

Supporting Schedules:

Recap Schedules:

**ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX H
EFFECT OF PROPOSED TARIFF SCHEDULES**

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-1

Title: Summary of Revenues by Customer

Classification - Present and Proposed Rates

Explanation:
Schedule comparing revenues by customer classification for
the Test Year, at present and proposed rates.

Required for: All Utilities
Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Customer Classification | Revenues in the Test Year (a) | | Proposed Increase (b) | | |
|-------------------------|-------------------------------|-------------------|-----------------------|-----|--|
| | Present Rates | Proposed Rates | Amount | % | |
| Residential | \$ 174,908 | \$ 279,467 | \$ 104,560 | 60% | |
| Commercial | 76,365 | 146,912 | 70,548 | 92% | |
| Total Revenues | \$ 251,272 | \$ 426,380 | \$ 175,107 | | |

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:
(a) H-2

Recap Schedules:
(b) A-1

ARIZONA CORPORATION COMMISSION

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APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-3

Title: Changes in Representative Rate
Schedules

Explanation:
Schedule comparing present rate schedules with proposed
rate schedule.

(Rates apply to both residential and commercial usage)

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Description | Present Rate | Proposed Rate | Percent change |
|-----------------------------|--------------|---------------|----------------|
| MONTHLY USAGE CHARGE | | | |
| 5/8" x 3/4" Meter | \$ 11.75 | \$ 13.75 | 17% |
| 3/4" Meter | 11.90 | 20.63 | 73% |
| 1" Meter | 20.00 | 34.38 | 72% |
| 1-1/2" Meter | 31.00 | 68.75 | 122% |
| 2" Meter | 59.65 | 110.00 | 84% |
| 3" Meter | 120.00 | 206.25 | 72% |
| 4" Meter | 250.00 | 343.75 | 38% |
| 6" Meter | 500.00 | 687.50 | 38% |
| Gallons included in minimum | 1,000 | - | -100% |

Commodity Charge (per 1,000 gallons over monthly minimum)

| | | | |
|-----------------------------|---------|---------|------|
| 1,001 to 8,000 gallons | \$ 1.30 | N/A | |
| In excess of 8,000 gallons | 1.47 | N/A | |
| 1 to 4,000 gallons | N/A | \$ 1.50 | 15% |
| 4,001 to 12,000 gallons | N/A | 2.15 | 63% |
| In excess of 12,000 gallons | N/A | 3.10 | 111% |

SERVICE LINE AND METER INSTALLATION CHARGES

| | | | |
|-------------------|-----------|-----------|-----|
| 5/8" x 3/4" Meter | \$ 320.00 | \$ 550.00 | 72% |
| 3/4" Meter | 360.00 | 580.00 | 61% |
| 1" Meter | 420.00 | 675.00 | 61% |
| 1-1/2" Meter | 635.00 | 710.00 | 12% |
| 2" Meter | 1,090.00 | 1,200.00 | 10% |
| 3" Meter | 1,505.00 | 1,650.00 | 10% |
| 4" Meter | 2,380.00 | 2,675.00 | 12% |
| 6" Meter | 4,655.00 | 4,800.00 | 3% |

SERVICE CHARGES

| | | | |
|---------------------------------------|----------|----------|------|
| Establishment | \$ 10.00 | \$ 25.00 | 150% |
| Establishment (After Hours) | 20.00 | 40.00 | 100% |
| Reconnection (Delinquent) | 20.00 | 35.00 | 75% |
| Reconnection (Delinquent) after hours | N/A | 50.00 | 100% |
| Meter Test (If Correct) | 35.00 | 35.00 | 0% |
| Deposit | * | * | N/A |
| Deposit Interest | * | * | N/A |
| Re-Establishment (within 12 months) | ** | ** | N/A |
| NSF Check | \$ 15.00 | 25.00 | 67% |
| Late Fee (per month) | 1.50% | 1.50% | 0% |
| Deferred Payment (per month) | 1.50% | 1.50% | 0% |
| Meter Re-read (If Correct) | \$ 10.00 | 20.00 | 100% |

MONTHLY SERVICE CHARGE

FOR FIRE SPRINKLER: *** *** N/A

* Per Commission Rule AAC R14-2-403(B)

** Number of months off system times the monthly minimum, per Commission Rule AAC R-14-2-403(D).

*** 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month.

The service charge for fire sprinklers is only applicable for service lines separate and distinct from
the primary water service line.

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Required for: All Utilities

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

Residential & Commercial - 5/8" x 3/4" meter

Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|------------------------|-----------------|------------------|---------------------|
| - \$ | 11.75 \$ | 13.75 | 17.02% |
| 1,000 | 11.75 | 15.25 | 29.79% |
| 2,000 | 13.05 | 16.75 | 28.35% |
| 3,000 | 14.35 | 18.25 | 27.18% |
| 4,000 | 15.65 | 19.75 | 26.20% |
| 5,000 | 16.95 | 21.90 | 29.20% |
| 6,000 | 18.25 | 24.05 | 31.78% |
| 7,000 | 19.55 | 26.20 | 34.02% |
| 8,000 | 20.85 | 28.35 | 35.97% |
| 9,000 | 22.32 | 30.50 | 36.65% |
| 10,000 | 23.79 | 32.65 | 37.24% |
| 15,000 | 31.14 | 46.25 | 48.52% |
| 20,000 | 38.49 | 61.75 | 60.43% |
| 25,000 | 45.84 | 77.25 | 68.52% |
| 50,000 | 82.59 | 154.75 | 87.37% |
| 75,000 | 119.34 | 232.25 | 94.61% |
| 100,000 | 156.09 | 309.75 | 98.44% |
| 125,000 | 192.84 | 387.25 | 100.81% |
| 150,000 | 229.59 | 464.75 | 102.43% |
| 175,000 | 266.34 | 542.25 | 103.59% |
| 200,000 | 303.09 | 619.75 | 104.48% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

Residential & Commercial - 3/4" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|------------------------|-----------------|------------------|---------------------|
| - \$ | 11.90 \$ | 20.63 | 73.32% |
| 1,000 | 11.90 | 22.13 | 85.92% |
| 2,000 | 13.20 | 23.63 | 78.98% |
| 3,000 | 14.50 | 25.13 | 73.28% |
| 4,000 | 15.80 | 26.63 | 68.51% |
| 5,000 | 17.10 | 28.78 | 68.27% |
| 6,000 | 18.40 | 30.93 | 68.07% |
| 7,000 | 19.70 | 33.08 | 67.89% |
| 8,000 | 21.00 | 35.23 | 67.74% |
| 9,000 | 22.47 | 37.38 | 66.33% |
| 10,000 | 23.94 | 39.53 | 65.10% |
| 15,000 | 31.29 | 53.13 | 69.78% |
| 20,000 | 38.64 | 68.63 | 77.60% |
| 25,000 | 45.99 | 84.13 | 82.92% |
| 50,000 | 82.74 | 161.63 | 95.34% |
| 75,000 | 119.49 | 239.13 | 100.12% |
| 100,000 | 156.24 | 316.63 | 102.65% |
| 125,000 | 192.99 | 394.13 | 104.22% |
| 150,000 | 229.74 | 471.63 | 105.29% |
| 175,000 | 266.49 | 549.13 | 106.06% |
| 200,000 | 303.24 | 626.63 | 106.64% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

| | | |
|---|-----------------------------|-------------------------------------|
| Explanation: | Required for: All Utilities | <input checked="" type="checkbox"/> |
| Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates. | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| Residential & Commercial - 1" meter | Spec'l Reqmt | <input type="checkbox"/> |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|---------------------|--------------|---------------|------------------|
| - \$ | 20.00 | \$ 34.38 | 71.88% |
| 1,000 | 20.00 | 35.88 | 79.38% |
| 2,000 | 21.30 | 37.38 | 75.47% |
| 3,000 | 22.60 | 38.88 | 72.01% |
| 4,000 | 23.90 | 40.38 | 68.93% |
| 5,000 | 25.20 | 42.53 | 68.75% |
| 6,000 | 26.50 | 44.68 | 68.58% |
| 7,000 | 27.80 | 46.83 | 68.44% |
| 8,000 | 29.10 | 48.98 | 68.30% |
| 9,000 | 30.57 | 51.13 | 67.24% |
| 10,000 | 32.04 | 53.28 | 66.28% |
| 15,000 | 39.39 | 66.88 | 69.78% |
| 20,000 | 46.74 | 82.38 | 76.24% |
| 25,000 | 54.09 | 97.88 | 80.95% |
| 50,000 | 90.84 | 175.38 | 93.06% |
| 75,000 | 127.59 | 252.88 | 98.19% |
| 100,000 | 164.34 | 330.38 | 101.03% |
| 125,000 | 201.09 | 407.88 | 102.83% |
| 150,000 | 237.84 | 485.38 | 104.08% |
| 175,000 | 274.59 | 562.88 | 104.99% |
| 200,000 | 311.34 | 640.38 | 105.68% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

Residential & Commercial - 1 1/2" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|------------------------|-----------------|------------------|---------------------|
| - \$ | 31.00 \$ | 68.75 | 121.77% |
| 1,000 | 31.00 | 70.25 | 126.61% |
| 2,000 | 32.30 | 71.75 | 122.14% |
| 3,000 | 33.60 | 73.25 | 118.01% |
| 4,000 | 34.90 | 74.75 | 114.18% |
| 5,000 | 36.20 | 76.90 | 112.43% |
| 6,000 | 37.50 | 79.05 | 110.80% |
| 7,000 | 38.80 | 81.20 | 109.28% |
| 8,000 | 40.10 | 83.35 | 107.86% |
| 9,000 | 41.57 | 85.50 | 105.68% |
| 10,000 | 43.04 | 87.65 | 103.65% |
| 15,000 | 50.39 | 101.25 | 100.93% |
| 20,000 | 57.74 | 116.75 | 102.20% |
| 25,000 | 65.09 | 132.25 | 103.18% |
| 50,000 | 101.84 | 209.75 | 105.96% |
| 75,000 | 138.59 | 287.25 | 107.27% |
| 100,000 | 175.34 | 364.75 | 108.02% |
| 125,000 | 212.09 | 442.25 | 108.52% |
| 150,000 | 248.84 | 519.75 | 108.87% |
| 175,000 | 285.59 | 597.25 | 109.13% |
| 200,000 | 322.34 | 674.75 | 109.33% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Explanation:
Schedule(s) comparing typical customer bills at varying
consumption levels at present and proposed rates.

Residential & Commercial - 2" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|------------------------|-----------------|------------------|---------------------|
| - \$ | 59.65 \$ | 110.00 | 84.41% |
| 1,000 | 59.65 | 111.50 | 86.92% |
| 2,000 | 60.95 | 113.00 | 85.40% |
| 3,000 | 62.25 | 114.50 | 83.94% |
| 4,000 | 63.55 | 116.00 | 82.53% |
| 5,000 | 64.85 | 118.15 | 82.19% |
| 6,000 | 66.15 | 120.30 | 81.86% |
| 7,000 | 67.45 | 122.45 | 81.54% |
| 8,000 | 68.75 | 124.60 | 81.24% |
| 9,000 | 70.22 | 126.75 | 80.50% |
| 10,000 | 71.69 | 128.90 | 79.80% |
| 15,000 | 79.04 | 142.50 | 80.29% |
| 20,000 | 86.39 | 158.00 | 82.89% |
| 25,000 | 93.74 | 173.50 | 85.09% |
| 50,000 | 130.49 | 251.00 | 92.35% |
| 75,000 | 167.24 | 328.50 | 96.42% |
| 100,000 | 203.99 | 406.00 | 99.03% |
| 125,000 | 240.74 | 483.50 | 100.84% |
| 150,000 | 277.49 | 561.00 | 102.17% |
| 175,000 | 314.24 | 638.50 | 103.19% |
| 200,000 | 350.99 | 716.00 | 103.99% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
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APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

| | | |
|---|-----------------------------|-------------------------------------|
| Explanation: | Required for: All Utilities | <input checked="" type="checkbox"/> |
| Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates. | Class A | <input type="checkbox"/> |
| | Class B | <input type="checkbox"/> |
| | Class C | <input type="checkbox"/> |
| | Class D | <input type="checkbox"/> |
| Commercial - 3" meter | Spec'l Reqmt | <input type="checkbox"/> |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|------------------------|-----------------|------------------|---------------------|
| - \$ | 120.00 | \$ 206.25 | 71.88% |
| 1,000 | 120.00 | 207.75 | 73.13% |
| 2,000 | 121.30 | 209.25 | 72.51% |
| 3,000 | 122.60 | 210.75 | 71.90% |
| 4,000 | 123.90 | 212.25 | 71.31% |
| 5,000 | 125.20 | 214.40 | 71.25% |
| 6,000 | 126.50 | 216.55 | 71.19% |
| 7,000 | 127.80 | 218.70 | 71.13% |
| 8,000 | 129.10 | 220.85 | 71.07% |
| 9,000 | 130.57 | 223.00 | 70.79% |
| 10,000 | 132.04 | 225.15 | 70.52% |
| 15,000 | 139.39 | 238.75 | 71.28% |
| 20,000 | 146.74 | 254.25 | 73.27% |
| 25,000 | 154.09 | 269.75 | 75.06% |
| 50,000 | 190.84 | 347.25 | 81.96% |
| 75,000 | 227.59 | 424.75 | 86.63% |
| 100,000 | 264.34 | 502.25 | 90.00% |
| 125,000 | 301.09 | 579.75 | 92.55% |
| 150,000 | 337.84 | 657.25 | 94.54% |
| 175,000 | 374.59 | 734.75 | 96.15% |
| 200,000 | 411.34 | 812.25 | 97.46% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
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APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-4
Title: Typical Bill
Analysis

Explanation:

Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

Commercial - 4" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Monthly Consumption | Present Bill | Proposed Bill | Percent Increase |
|---------------------|--------------|---------------|------------------|
| - \$ | 250.00 \$ | 343.75 | 37.50% |
| 1,000 | 250.00 | 345.25 | 38.10% |
| 2,000 | 251.30 | 346.75 | 37.98% |
| 3,000 | 252.60 | 348.25 | 37.87% |
| 4,000 | 253.90 | 349.75 | 37.75% |
| 5,000 | 255.20 | 351.90 | 37.89% |
| 6,000 | 256.50 | 354.05 | 38.03% |
| 7,000 | 257.80 | 356.20 | 38.17% |
| 8,000 | 259.10 | 358.35 | 38.31% |
| 9,000 | 260.57 | 360.50 | 38.35% |
| 10,000 | 262.04 | 362.65 | 38.39% |
| 15,000 | 269.39 | 376.25 | 39.67% |
| 20,000 | 276.74 | 391.75 | 41.56% |
| 25,000 | 284.09 | 407.25 | 43.35% |
| 50,000 | 320.84 | 484.75 | 51.09% |
| 75,000 | 357.59 | 562.25 | 57.23% |
| 100,000 | 394.34 | 639.75 | 62.23% |
| 125,000 | 431.09 | 717.25 | 66.38% |
| 150,000 | 467.84 | 794.75 | 69.88% |
| 175,000 | 504.59 | 872.25 | 72.86% |
| 200,000 | 541.34 | 949.75 | 75.44% |

Supporting Schedules:

ARIZONA CORPORATION COMMISSION
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ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Explanation:
Schedule(s) showing billing activity by block for each rate
schedule.

Residential - 5/8" x 3/4" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills | | Cumulative Consumption | |
|-------------------|-----------------------------|--------------------------|------------------|------------|------------------------|------------|
| | | | No. | % of Total | Amount | % of Total |
| - | 167 | - | 167 | 5.27% | - | 0.00% |
| 1,000 | 142 | 142,000 | 309 | 9.75% | 142,000 | 0.60% |
| 2,000 | 161 | 322,000 | 470 | 14.84% | 464,000 | 1.96% |
| 3,000 | 257 | 771,000 | 727 | 22.95% | 1,235,000 | 5.23% |
| 4,000 | 290 | 1,160,000 | 1,017 | 32.10% | 2,395,000 | 10.14% |
| 5,000 | 320 | 1,600,000 | 1,337 | 42.20% | 3,995,000 | 16.91% |
| 6,000 | 325 | 1,950,000 | 1,662 | 52.46% | 5,945,000 | 25.17% |
| 7,000 | 270 | 1,890,000 | 1,932 | 60.98% | 7,835,000 | 33.17% |
| 8,000 | 224 | 1,792,000 | 2,156 | 68.06% | 9,627,000 | 40.76% |
| 9,000 | 166 | 1,494,000 | 2,322 | 73.30% | 11,121,000 | 47.08% |
| 10,000 | 260 | 2,600,000 | 2,582 | 81.50% | 13,721,000 | 58.09% |
| 10,001 to 12,000 | 244 | 2,684,000 | 2,826 | 89.20% | 16,405,000 | 69.45% |
| 12,001 to 14,000 | 108 | 1,404,000 | 2,934 | 92.61% | 17,809,000 | 75.40% |
| 14,001 to 16,000 | 55 | 825,000 | 2,989 | 94.35% | 18,634,000 | 78.89% |
| 16,001 to 18,000 | 35 | 595,000 | 3,024 | 95.45% | 19,229,000 | 81.41% |
| 18,001 to 20,000 | 31 | 589,000 | 3,055 | 96.43% | 19,818,000 | 83.90% |
| 20,001 to 25,000 | 52 | 1,170,000 | 3,107 | 98.07% | 20,988,000 | 88.86% |
| 25,001 to 30,000 | 24 | 660,000 | 3,131 | 98.83% | 21,648,000 | 91.65% |
| 30,001 to 35,000 | 11 | 357,500 | 3,142 | 99.18% | 22,005,500 | 93.16% |
| 35,001 to 40,000 | 8 | 300,000 | 3,150 | 99.43% | 22,305,500 | 94.43% |
| 40,001 to 50,000 | 7 | 315,000 | 3,157 | 99.65% | 22,620,500 | 95.77% |
| 50,001 to 60,000 | 1 | 55,000 | 3,158 | 99.68% | 22,675,500 | 96.00% |
| 60,001 to 70,000 | 4 | 260,000 | 3,162 | 99.81% | 22,935,500 | 97.10% |
| 70,001 to 80,000 | 1 | 75,000 | 3,163 | 99.84% | 23,010,500 | 97.42% |
| 80,001 to 90,000 | 1 | 85,000 | 3,164 | 99.87% | 23,095,500 | 97.78% |
| 90,001 to 100,000 | 1 | 95,000 | 3,165 | 99.91% | 23,190,500 | 98.18% |
| Over 100,000 | 3 | 430,000 | 3,168 | 100.00% | 23,620,500 | 100.00% |
| | 3,168 | 23,620,500 | | | | |

Average Number of Customers 264
Average Consumption 7,456
Median Consumption 5,800

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
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ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Required for: All Utilities

Explanation:
Schedule(s) showing billing activity by block for each rate schedule.

Residential - 3/4" meter

Class A
Class B
Class C
Class D
Spec'l Reqmt

| |
|---|
| X |
| |
| |
| |
| |
| |

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 293 | - | 293 | 6.46% | - | 0.00% |
| 1,000 | 218 | 218,000 | 511 | 11.26% | 218,000 | 0.62% |
| 2,000 | 217 | 434,000 | 728 | 16.04% | 652,000 | 1.84% |
| 3,000 | 339 | 1,017,000 | 1,067 | 23.51% | 1,669,000 | 4.72% |
| 4,000 | 400 | 1,600,000 | 1,467 | 32.33% | 3,269,000 | 9.25% |
| 5,000 | 412 | 2,060,000 | 1,879 | 41.41% | 5,329,000 | 15.08% |
| 6,000 | 393 | 2,358,000 | 2,272 | 50.07% | 7,687,000 | 21.75% |
| 7,000 | 368 | 2,576,000 | 2,640 | 58.18% | 10,263,000 | 29.04% |
| 8,000 | 332 | 2,656,000 | 2,972 | 65.49% | 12,919,000 | 36.55% |
| 9,000 | 284 | 2,556,000 | 3,256 | 71.75% | 15,475,000 | 43.78% |
| 10,000 | 441 | 4,410,000 | 3,697 | 81.47% | 19,885,000 | 56.26% |
| 10,001 to 12,000 | 293 | 3,223,000 | 3,990 | 87.92% | 23,108,000 | 65.38% |
| 12,001 to 14,000 | 155 | 2,015,000 | 4,145 | 91.34% | 25,123,000 | 71.08% |
| 14,001 to 16,000 | 132 | 1,980,000 | 4,277 | 94.25% | 27,103,000 | 76.68% |
| 16,001 to 18,000 | 62 | 1,054,000 | 4,339 | 95.61% | 28,157,000 | 79.66% |
| 18,001 to 20,000 | 43 | 817,000 | 4,382 | 96.56% | 28,974,000 | 81.97% |
| 20,001 to 25,000 | 54 | 1,215,000 | 4,436 | 97.75% | 30,189,000 | 85.41% |
| 25,001 to 30,000 | 38 | 1,045,000 | 4,474 | 98.59% | 31,234,000 | 88.37% |
| 30,001 to 35,000 | 27 | 877,500 | 4,501 | 99.18% | 32,111,500 | 90.85% |
| 35,001 to 40,000 | 11 | 412,500 | 4,512 | 99.43% | 32,524,000 | 92.02% |
| 40,001 to 50,000 | 12 | 540,000 | 4,524 | 99.69% | 33,064,000 | 93.54% |
| 50,001 to 60,000 | 3 | 165,000 | 4,527 | 99.76% | 33,229,000 | 94.01% |
| 60,001 to 70,000 | 1 | 65,000 | 4,528 | 99.78% | 33,294,000 | 94.19% |
| 70,001 to 80,000 | 3 | 225,000 | 4,531 | 99.85% | 33,519,000 | 94.83% |
| 80,001 to 90,000 | 1 | 85,000 | 4,532 | 99.87% | 33,604,000 | 95.07% |
| 90,001 to 100,000 | 1 | 95,000 | 4,533 | 99.89% | 33,699,000 | 95.34% |
| Over 100,000 | 5 | 1,647,000 | 4,538 | 100.00% | 35,346,000 | 100.00% |
| | 4,538 | 35,346,000 | | | | |

Average Number of Customers 378
Average Consumption 7,789
Median Consumption 6,000

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Class A

Class B

Class C

Class D

Spec'l Reqmt

Residential - 1" meter

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills | | Cumulative Consumption | |
|-------------------|-----------------------------|--------------------------|------------------|------------|------------------------|------------|
| | | | No. | % of Total | Amount | % of Total |
| - | 16 | - | 16 | 6.64% | - | 0.00% |
| 1,000 | 14 | 14,000 | 30 | 12.45% | 14,000 | 0.47% |
| 2,000 | 14 | 28,000 | 44 | 18.26% | 42,000 | 1.40% |
| 3,000 | 18 | 54,000 | 62 | 25.73% | 96,000 | 3.21% |
| 4,000 | 24 | 96,000 | 86 | 35.68% | 192,000 | 6.42% |
| 5,000 | 8 | 40,000 | 94 | 39.00% | 232,000 | 7.75% |
| 6,000 | 19 | 114,000 | 113 | 46.89% | 346,000 | 11.56% |
| 7,000 | 12 | 84,000 | 125 | 51.87% | 430,000 | 14.37% |
| 8,000 | 12 | 96,000 | 137 | 56.85% | 526,000 | 17.58% |
| 9,000 | 9 | 81,000 | 146 | 60.58% | 607,000 | 20.28% |
| 10,000 | 17 | 170,000 | 163 | 67.63% | 777,000 | 25.96% |
| 10,001 to 12,000 | 13 | 143,000 | 176 | 73.03% | 920,000 | 30.74% |
| 12,001 to 14,000 | 10 | 130,000 | 186 | 77.18% | 1,050,000 | 35.09% |
| 14,001 to 16,000 | 3 | 45,000 | 189 | 78.42% | 1,095,000 | 36.59% |
| 16,001 to 18,000 | 5 | 85,000 | 194 | 80.50% | 1,180,000 | 39.43% |
| 18,001 to 20,000 | 9 | 171,000 | 203 | 84.23% | 1,351,000 | 45.15% |
| 20,001 to 25,000 | 5 | 112,500 | 208 | 86.31% | 1,463,500 | 48.91% |
| 25,001 to 30,000 | 10 | 275,000 | 218 | 90.46% | 1,738,500 | 58.10% |
| 30,001 to 35,000 | 8 | 260,000 | 226 | 93.78% | 1,998,500 | 66.78% |
| 35,001 to 40,000 | 2 | 75,000 | 228 | 94.61% | 2,073,500 | 69.29% |
| 40,001 to 50,000 | 5 | 225,000 | 233 | 96.68% | 2,298,500 | 76.81% |
| 50,001 to 60,000 | 2 | 110,000 | 235 | 97.51% | 2,408,500 | 80.48% |
| 60,001 to 70,000 | - | - | 235 | 97.51% | 2,408,500 | 80.48% |
| 70,001 to 80,000 | 2 | 150,000 | 237 | 98.34% | 2,558,500 | 85.50% |
| 80,001 to 90,000 | 1 | 85,000 | 238 | 98.76% | 2,643,500 | 88.34% |
| 90,001 to 100,000 | 2 | 190,000 | 240 | 99.59% | 2,833,500 | 94.69% |
| Over 100,000 | 1 | 159,000 | 241 | 100.00% | 2,992,500 | 100.00% |
| | 241 | 2,992,500 | | | | |

Average Number of Customers 20

Average Consumption 12,417

Median Consumption 6,600

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Class A

Class B

Class C

Class D

Spec'l Reqmt

Residential - 1 1/2" meter

| Block | Number of | Consumption | Cumulative Bills | | Cumulative Consumption | |
|-------------------|----------------|-------------|------------------|------------|------------------------|------------|
| | Bills by Block | By Blocks | No. | % of Total | Amount | % of Total |
| - | - | - | - | 0.00% | - | 0.00% |
| 1,000 | - | - | - | 0.00% | - | 0.00% |
| 2,000 | - | - | - | 0.00% | - | 0.00% |
| 3,000 | - | - | - | 0.00% | - | 0.00% |
| 4,000 | - | - | - | 0.00% | - | 0.00% |
| 5,000 | - | - | - | 0.00% | - | 0.00% |
| 6,000 | - | - | - | 0.00% | - | 0.00% |
| 7,000 | - | - | - | 0.00% | - | 0.00% |
| 8,000 | - | - | - | 0.00% | - | 0.00% |
| 9,000 | - | - | - | 0.00% | - | 0.00% |
| 10,000 | - | - | - | 0.00% | - | 0.00% |
| 10,001 to 12,000 | - | - | - | 0.00% | - | 0.00% |
| 12,001 to 14,000 | - | - | - | 0.00% | - | 0.00% |
| 14,001 to 16,000 | - | - | - | 0.00% | - | 0.00% |
| 16,001 to 18,000 | - | - | - | 0.00% | - | 0.00% |
| 18,001 to 20,000 | - | - | - | 0.00% | - | 0.00% |
| 20,001 to 25,000 | - | - | - | 0.00% | - | 0.00% |
| 25,001 to 30,000 | - | - | - | 0.00% | - | 0.00% |
| 30,001 to 35,000 | - | - | - | 0.00% | - | 0.00% |
| 35,001 to 40,000 | - | - | - | 0.00% | - | 0.00% |
| 40,001 to 50,000 | 2 | 90,000 | 2 | 16.67% | 90,000 | 11.15% |
| 50,001 to 60,000 | 2 | 110,000 | 4 | 33.33% | 200,000 | 24.78% |
| 60,001 to 70,000 | 3 | 195,000 | 7 | 58.33% | 395,000 | 48.95% |
| 70,001 to 80,000 | 3 | 225,000 | 10 | 83.33% | 620,000 | 76.83% |
| 80,001 to 90,000 | 1 | 85,000 | 11 | 91.67% | 705,000 | 87.36% |
| 90,001 to 100,000 | - | - | 11 | 91.67% | 705,000 | 87.36% |
| Over 100,000 | 1 | 102,000 | 12 | 100.00% | 807,000 | 100.00% |
| | 12 | 807,000 | | | | |

Average Number of Customers 1
Average Consumption 67,250
Median Consumption 60,700

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Class A

Class B

Class C

Class D

Specil Reqmt

Residential - 2" meter

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 11 | - | 11 | 30.56% | - | 0.00% |
| 1,000 | 1 | 1,000 | 12 | 33.33% | 1,000 | 0.14% |
| 2,000 | - | - | 12 | 33.33% | 1,000 | 0.14% |
| 3,000 | - | - | 12 | 33.33% | 1,000 | 0.14% |
| 4,000 | - | - | 12 | 33.33% | 1,000 | 0.14% |
| 5,000 | 3 | 15,000 | 15 | 41.67% | 16,000 | 2.25% |
| 6,000 | 2 | 12,000 | 17 | 47.22% | 28,000 | 3.94% |
| 7,000 | 3 | 21,000 | 20 | 55.56% | 49,000 | 6.90% |
| 8,000 | 2 | 16,000 | 22 | 61.11% | 65,000 | 9.15% |
| 9,000 | - | - | 22 | 61.11% | 65,000 | 9.15% |
| 10,000 | 1 | 10,000 | 23 | 63.89% | 75,000 | 10.56% |
| 10,001 to 12,000 | - | - | 23 | 63.89% | 75,000 | 10.56% |
| 12,001 to 14,000 | 1 | 13,000 | 24 | 66.67% | 88,000 | 12.39% |
| 14,001 to 16,000 | - | - | 24 | 66.67% | 88,000 | 12.39% |
| 16,001 to 18,000 | - | - | 24 | 66.67% | 88,000 | 12.39% |
| 18,001 to 20,000 | - | - | 24 | 66.67% | 88,000 | 12.39% |
| 20,001 to 25,000 | - | - | 24 | 66.67% | 88,000 | 12.39% |
| 25,001 to 30,000 | - | - | 24 | 66.67% | 88,000 | 12.39% |
| 30,001 to 35,000 | 1 | 32,500 | 25 | 69.44% | 120,500 | 16.96% |
| 35,001 to 40,000 | 2 | 75,000 | 27 | 75.00% | 195,500 | 27.52% |
| 40,001 to 50,000 | 1 | 45,000 | 28 | 77.78% | 240,500 | 33.85% |
| 50,001 to 60,000 | 5 | 275,000 | 33 | 91.67% | 515,500 | 72.55% |
| 60,001 to 70,000 | 3 | 195,000 | 36 | 100.00% | 710,500 | 100.00% |
| 70,001 to 80,000 | - | - | 36 | 100.00% | 710,500 | 100.00% |
| 80,001 to 90,000 | - | - | 36 | 100.00% | 710,500 | 100.00% |
| 90,001 to 100,000 | - | - | 36 | 100.00% | 710,500 | 100.00% |
| Over 100,000 | - | - | 36 | 100.00% | 710,500 | 100.00% |
| | 36 | 710,500 | | | | |

Average Number of Customers 3

Average Consumption 19,736

Median Consumption 6,300

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Commercial - 5/8" x 3/4" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 64 | - | 64 | 32.82% | - | 0.00% |
| 1,000 | 39 | 39,000 | 103 | 52.82% | 39,000 | 6.31% |
| 2,000 | 27 | 54,000 | 130 | 66.67% | 93,000 | 15.04% |
| 3,000 | 12 | 36,000 | 142 | 72.82% | 129,000 | 20.86% |
| 4,000 | 11 | 44,000 | 153 | 78.46% | 173,000 | 27.97% |
| 5,000 | 9 | 45,000 | 162 | 83.08% | 218,000 | 35.25% |
| 6,000 | 5 | 30,000 | 167 | 85.64% | 248,000 | 40.10% |
| 7,000 | 3 | 21,000 | 170 | 87.18% | 269,000 | 43.49% |
| 8,000 | 8 | 64,000 | 178 | 91.28% | 333,000 | 53.84% |
| 9,000 | 2 | 18,000 | 180 | 92.31% | 351,000 | 56.75% |
| 10,000 | 3 | 30,000 | 183 | 93.85% | 381,000 | 61.60% |
| 10,001 to 12,000 | 1 | 11,000 | 184 | 94.36% | 392,000 | 63.38% |
| 12,001 to 14,000 | 4 | 52,000 | 188 | 96.41% | 444,000 | 71.79% |
| 14,001 to 16,000 | 2 | 30,000 | 190 | 97.44% | 474,000 | 76.64% |
| 16,001 to 18,000 | 1 | 17,000 | 191 | 97.95% | 491,000 | 79.39% |
| 18,001 to 20,000 | - | - | 191 | 97.95% | 491,000 | 79.39% |
| 20,001 to 25,000 | 2 | 45,000 | 193 | 98.97% | 536,000 | 86.66% |
| 25,001 to 30,000 | 1 | 27,500 | 194 | 99.49% | 563,500 | 91.11% |
| 30,001 to 35,000 | - | - | 194 | 99.49% | 563,500 | 91.11% |
| 35,001 to 40,000 | - | - | 194 | 99.49% | 563,500 | 91.11% |
| 40,001 to 50,000 | - | - | 194 | 99.49% | 563,500 | 91.11% |
| 50,001 to 60,000 | 1 | 55,000 | 195 | 100.00% | 618,500 | 100.00% |
| 60,001 to 70,000 | - | - | 195 | 100.00% | 618,500 | 100.00% |
| 70,001 to 80,000 | - | - | 195 | 100.00% | 618,500 | 100.00% |
| 80,001 to 90,000 | - | - | 195 | 100.00% | 618,500 | 100.00% |
| 90,001 to 100,000 | - | - | 195 | 100.00% | 618,500 | 100.00% |
| Over 100,000 | - | - | 195 | 100.00% | 618,500 | 100.00% |
| | 195 | 618,500 | | | | |

Average Number of Customers 16

Average Consumption 3,172

Median Consumption 900

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Required for: All Utilities

| |
|---|
| X |
| |
| |
| |
| |
| |

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Commercial - 3/4" meter

Class A

Class B

Class C

Class D

Spec'l Reqmt

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 35 | - | 35 | 21.60% | - | 0.00% |
| 1,000 | 18 | 18,000 | 53 | 32.72% | 18,000 | 0.95% |
| 2,000 | 17 | 34,000 | 70 | 43.21% | 52,000 | 2.75% |
| 3,000 | 21 | 63,000 | 91 | 56.17% | 115,000 | 6.09% |
| 4,000 | 9 | 36,000 | 100 | 61.73% | 151,000 | 8.00% |
| 5,000 | 9 | 45,000 | 109 | 67.28% | 196,000 | 10.38% |
| 6,000 | 6 | 36,000 | 115 | 70.99% | 232,000 | 12.28% |
| 7,000 | 6 | 42,000 | 121 | 74.69% | 274,000 | 14.51% |
| 8,000 | 1 | 8,000 | 122 | 75.31% | 282,000 | 14.93% |
| 9,000 | 2 | 18,000 | 124 | 76.54% | 300,000 | 15.89% |
| 10,000 | 1 | 10,000 | 125 | 77.16% | 310,000 | 16.42% |
| 10,001 to 12,000 | 6 | 66,000 | 131 | 80.86% | 376,000 | 19.91% |
| 12,001 to 14,000 | 1 | 13,000 | 132 | 81.48% | 389,000 | 20.60% |
| 14,001 to 16,000 | 6 | 90,000 | 138 | 85.19% | 479,000 | 25.36% |
| 16,001 to 18,000 | 4 | 68,000 | 142 | 87.65% | 547,000 | 28.96% |
| 18,001 to 20,000 | 1 | 19,000 | 143 | 88.27% | 566,000 | 29.97% |
| 20,001 to 25,000 | 3 | 67,500 | 146 | 90.12% | 633,500 | 33.55% |
| 25,001 to 30,000 | - | - | 146 | 90.12% | 633,500 | 33.55% |
| 30,001 to 35,000 | 3 | 97,500 | 149 | 91.98% | 731,000 | 38.71% |
| 35,001 to 40,000 | 3 | 112,500 | 152 | 93.83% | 843,500 | 44.67% |
| 40,001 to 50,000 | 3 | 135,000 | 155 | 95.68% | 978,500 | 51.81% |
| 50,001 to 60,000 | 3 | 165,000 | 158 | 97.53% | 1,143,500 | 60.55% |
| 60,001 to 70,000 | 1 | 65,000 | 159 | 98.15% | 1,208,500 | 63.99% |
| 70,001 to 80,000 | - | - | 159 | 98.15% | 1,208,500 | 63.99% |
| 80,001 to 90,000 | - | - | 159 | 98.15% | 1,208,500 | 63.99% |
| 90,001 to 100,000 | 1 | 95,000 | 160 | 98.77% | 1,303,500 | 69.02% |
| Over 100,000 | 2 | 585,000 | 162 | 100.00% | 1,888,500 | 100.00% |
| | 162 | 1,888,500 | | | | |

Average Number of Customers 14
Average Consumption 11,657
Median Consumption 2,500

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Commercial - 1" meter

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills | | Cumulative Consumption | |
|-------------------|-----------------------------|--------------------------|------------------|------------|------------------------|------------|
| | | | No. | % of Total | Amount | % of Total |
| - | 4 | - | 4 | 2.06% | - | 0.00% |
| 1,000 | 17 | 17,000 | 21 | 10.82% | 17,000 | 0.58% |
| 2,000 | 18 | 36,000 | 39 | 20.10% | 53,000 | 1.81% |
| 3,000 | 8 | 24,000 | 47 | 24.23% | 77,000 | 2.63% |
| 4,000 | 7 | 28,000 | 54 | 27.84% | 105,000 | 3.59% |
| 5,000 | 13 | 65,000 | 67 | 34.54% | 170,000 | 5.81% |
| 6,000 | 7 | 42,000 | 74 | 38.14% | 212,000 | 7.24% |
| 7,000 | 4 | 28,000 | 78 | 40.21% | 240,000 | 8.20% |
| 8,000 | 9 | 72,000 | 87 | 44.85% | 312,000 | 10.66% |
| 9,000 | 13 | 117,000 | 100 | 51.55% | 429,000 | 14.65% |
| 10,000 | 6 | 60,000 | 106 | 54.64% | 489,000 | 16.70% |
| 10,001 to 12,000 | 17 | 187,000 | 123 | 63.40% | 676,000 | 23.09% |
| 12,001 to 14,000 | 6 | 78,000 | 129 | 66.49% | 754,000 | 25.76% |
| 14,001 to 16,000 | 9 | 135,000 | 138 | 71.13% | 889,000 | 30.37% |
| 16,001 to 18,000 | 7 | 119,000 | 145 | 74.74% | 1,008,000 | 34.43% |
| 18,001 to 20,000 | 3 | 57,000 | 148 | 76.29% | 1,065,000 | 36.38% |
| 20,001 to 25,000 | 8 | 180,000 | 156 | 80.41% | 1,245,000 | 42.53% |
| 25,001 to 30,000 | 9 | 247,500 | 165 | 85.05% | 1,492,500 | 50.98% |
| 30,001 to 35,000 | 4 | 130,000 | 169 | 87.11% | 1,622,500 | 55.42% |
| 35,001 to 40,000 | 8 | 300,000 | 177 | 91.24% | 1,922,500 | 65.67% |
| 40,001 to 50,000 | 5 | 225,000 | 182 | 93.81% | 2,147,500 | 73.36% |
| 50,001 to 60,000 | 5 | 275,000 | 187 | 96.39% | 2,422,500 | 82.75% |
| 60,001 to 70,000 | 4 | 260,000 | 191 | 98.45% | 2,682,500 | 91.63% |
| 70,001 to 80,000 | 1 | 75,000 | 192 | 98.97% | 2,757,500 | 94.19% |
| 80,001 to 90,000 | 2 | 170,000 | 194 | 100.00% | 2,927,500 | 100.00% |
| 90,001 to 100,000 | - | - | 194 | 100.00% | 2,927,500 | 100.00% |
| Over 100,000 | - | - | 194 | 100.00% | 2,927,500 | 100.00% |
| | 194 | 2,927,500 | | | | |

Average Number of Customers 16
Average Consumption 15,090
Median Consumption 8,800

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Class A

Class B

Class C

Class D

Specd Reqmt

Commercial - 1 1/2" meter

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 1 | - | 1 | 6.25% | - | 0.00% |
| 1,000 | 1 | 1,000 | 2 | 12.50% | 1,000 | 0.11% |
| 2,000 | 1 | 2,000 | 3 | 18.75% | 3,000 | 0.33% |
| 3,000 | - | - | 3 | 18.75% | 3,000 | 0.33% |
| 4,000 | - | - | 3 | 18.75% | 3,000 | 0.33% |
| 5,000 | - | - | 3 | 18.75% | 3,000 | 0.33% |
| 6,000 | 1 | 6,000 | 4 | 25.00% | 9,000 | 0.99% |
| 7,000 | - | - | 4 | 25.00% | 9,000 | 0.99% |
| 8,000 | 1 | 8,000 | 5 | 31.25% | 17,000 | 1.87% |
| 9,000 | - | - | 5 | 31.25% | 17,000 | 1.87% |
| 10,000 | 1 | 10,000 | 6 | 37.50% | 27,000 | 2.97% |
| 10,001 to 12,000 | 1 | 11,000 | 7 | 43.75% | 38,000 | 4.18% |
| 12,001 to 14,000 | 1 | 13,000 | 8 | 50.00% | 51,000 | 5.61% |
| 14,001 to 16,000 | - | - | 8 | 50.00% | 51,000 | 5.61% |
| 16,001 to 18,000 | 1 | 17,000 | 9 | 56.25% | 68,000 | 7.48% |
| 18,001 to 20,000 | 1 | 19,000 | 10 | 62.50% | 87,000 | 9.58% |
| 20,001 to 25,000 | 1 | 22,500 | 11 | 68.75% | 109,500 | 12.05% |
| 25,001 to 30,000 | - | - | 11 | 68.75% | 109,500 | 12.05% |
| 30,001 to 35,000 | - | - | 11 | 68.75% | 109,500 | 12.05% |
| 35,001 to 40,000 | - | - | 11 | 68.75% | 109,500 | 12.05% |
| 40,001 to 50,000 | - | - | 11 | 68.75% | 109,500 | 12.05% |
| 50,001 to 60,000 | 1 | 55,000 | 12 | 75.00% | 164,500 | 18.11% |
| 60,001 to 70,000 | - | - | 12 | 75.00% | 164,500 | 18.11% |
| 70,001 to 80,000 | 1 | 75,000 | 13 | 81.25% | 239,500 | 26.36% |
| 80,001 to 90,000 | 2 | 170,000 | 15 | 93.75% | 409,500 | 45.07% |
| 90,001 to 100,000 | - | - | 15 | 93.75% | 409,500 | 45.07% |
| Over 100,000 | 1 | 499,000 | 16 | 100.00% | 908,500 | 100.00% |
| | 16 | 908,500 | | | | |

Average Number of Customers 1
Average Consumption 56,781
Median Consumption 14,000

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Required for: All Utilities

| |
|---|
| X |
| |
| |
| |
| |
| |

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Commercial - 2" meter

Class A

Class B

Class C

Class D

Specd Reqmt

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills No. | % of Total | Cumulative Consumption Amount | % of Total |
|-------------------|-----------------------------|--------------------------|-------------------------|------------|----------------------------------|------------|
| - | 3 | - | 3 | 1.61% | - | 0.00% |
| 1,000 | 1 | 1,000 | 4 | 2.15% | 1,000 | 0.00% |
| 2,000 | - | - | 4 | 2.15% | 1,000 | 0.00% |
| 3,000 | 2 | 6,000 | 6 | 3.23% | 7,000 | 0.03% |
| 4,000 | 3 | 12,000 | 9 | 4.84% | 19,000 | 0.07% |
| 5,000 | 3 | 15,000 | 12 | 6.45% | 34,000 | 0.13% |
| 6,000 | 2 | 12,000 | 14 | 7.53% | 46,000 | 0.17% |
| 7,000 | 1 | 7,000 | 15 | 8.06% | 53,000 | 0.20% |
| 8,000 | - | - | 15 | 8.06% | 53,000 | 0.20% |
| 9,000 | 2 | 18,000 | 17 | 9.14% | 71,000 | 0.26% |
| 10,000 | - | - | 17 | 9.14% | 71,000 | 0.26% |
| 10,001 to 12,000 | 7 | 77,000 | 24 | 12.90% | 148,000 | 0.55% |
| 12,001 to 14,000 | 3 | 39,000 | 27 | 14.52% | 187,000 | 0.69% |
| 14,001 to 16,000 | 3 | 45,000 | 30 | 16.13% | 232,000 | 0.86% |
| 16,001 to 18,000 | 7 | 119,000 | 37 | 19.89% | 351,000 | 1.30% |
| 18,001 to 20,000 | 1 | 19,000 | 38 | 20.43% | 370,000 | 1.37% |
| 20,001 to 25,000 | 8 | 180,000 | 46 | 24.73% | 550,000 | 2.04% |
| 25,001 to 30,000 | 25 | 687,500 | 71 | 38.17% | 1,237,500 | 4.60% |
| 30,001 to 35,000 | 9 | 292,500 | 80 | 43.01% | 1,530,000 | 5.68% |
| 35,001 to 40,000 | 7 | 262,500 | 87 | 46.77% | 1,792,500 | 6.66% |
| 40,001 to 50,000 | 5 | 225,000 | 92 | 49.46% | 2,017,500 | 7.49% |
| 50,001 to 60,000 | 1 | 55,000 | 93 | 50.00% | 2,072,500 | 7.70% |
| 60,001 to 70,000 | 2 | 130,000 | 95 | 51.08% | 2,202,500 | 8.18% |
| 70,001 to 80,000 | 2 | 150,000 | 97 | 52.15% | 2,352,500 | 8.74% |
| 80,001 to 90,000 | 5 | 425,000 | 102 | 54.84% | 2,777,500 | 10.32% |
| 90,001 to 100,000 | 7 | 665,000 | 109 | 58.60% | 3,442,500 | 12.79% |
| Over 100,000 | 77 | 23,477,000 | 186 | 100.00% | 26,919,500 | 100.00% |
| | 186 | 26,919,500 | | | | |

Average Number of Customers 16
Average Consumption 144,728
Median Consumption 60,000

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION

REGULATION R14-2-103

APPENDIX

ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5

Title: Bill Count

Required for: All Utilities

X

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Class A

Class B

Class C

Class D

Specd Reqmt

Commercial - 3" meter

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills | | Cumulative Consumption | |
|-------------------|-----------------------------|--------------------------|------------------|------------|------------------------|------------|
| | | | No. | % of Total | Amount | % of Total |
| - | - | - | - | 0.00% | - | 0.00% |
| 1,000 | - | - | - | 0.00% | - | 0.00% |
| 2,000 | 1 | 2,000 | 1 | 7.69% | 2,000 | 0.09% |
| 3,000 | - | - | 1 | 7.69% | 2,000 | 0.09% |
| 4,000 | - | - | 1 | 7.69% | 2,000 | 0.09% |
| 5,000 | - | - | 1 | 7.69% | 2,000 | 0.09% |
| 6,000 | - | - | 1 | 7.69% | 2,000 | 0.09% |
| 7,000 | 1 | 7,000 | 2 | 15.38% | 9,000 | 0.38% |
| 8,000 | - | - | 2 | 15.38% | 9,000 | 0.38% |
| 9,000 | - | - | 2 | 15.38% | 9,000 | 0.38% |
| 10,000 | 1 | 10,000 | 3 | 23.08% | 19,000 | 0.81% |
| 10,001 to 12,000 | - | - | 3 | 23.08% | 19,000 | 0.81% |
| 12,001 to 14,000 | 2 | 26,000 | 5 | 38.46% | 45,000 | 1.92% |
| 14,001 to 16,000 | 2 | 30,000 | 7 | 53.85% | 75,000 | 3.20% |
| 16,001 to 18,000 | 1 | 17,000 | 8 | 61.54% | 92,000 | 3.93% |
| 18,001 to 20,000 | 1 | 19,000 | 9 | 69.23% | 111,000 | 4.74% |
| 20,001 to 25,000 | 2 | 45,000 | 11 | 84.62% | 156,000 | 6.66% |
| 25,001 to 30,000 | 1 | 27,500 | 12 | 92.31% | 183,500 | 7.84% |
| 30,001 to 35,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 35,001 to 40,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 40,001 to 50,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 50,001 to 60,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 60,001 to 70,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 70,001 to 80,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 80,001 to 90,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| 90,001 to 100,000 | - | - | 12 | 92.31% | 183,500 | 7.84% |
| Over 100,000 | 1 | 2,158,000 | 13 | 100.00% | 2,341,500 | 100.00% |
| | 13 | 2,341,500 | | | | |

Average Number of Customers 1

Average Consumption 180,115

Median Consumption 14,800

Supporting Schedules:

Recap Schedules:

ARIZONA CORPORATION COMMISSION
REGULATION R14-2-103
APPENDIX
ILLUSTRATIVE SCHEDULE FORMAT

Schedule: H-5
Title: Bill Count

Required for: All Utilities

| |
|---|
| X |
| |
| |
| |
| |
| |

Explanation:
Schedule(s) showing billing activity by block for each rate
schedule.

Class A
Class B
Class C
Class D
Spec'l Reqmt

Commercial - 4" meter

| Block | Number of Bills by Block | Consumption By Blocks | Cumulative Bills | | Cumulative Consumption | |
|-------------------|-----------------------------|--------------------------|------------------|------------|------------------------|------------|
| | | | No. | % of Total | Amount | % of Total |
| - | - | - | - | 0.00% | - | 0.00% |
| 1,000 | - | - | - | 0.00% | - | 0.00% |
| 2,000 | - | - | - | 0.00% | - | 0.00% |
| 3,000 | - | - | - | 0.00% | - | 0.00% |
| 4,000 | - | - | - | 0.00% | - | 0.00% |
| 5,000 | - | - | - | 0.00% | - | 0.00% |
| 6,000 | - | - | - | 0.00% | - | 0.00% |
| 7,000 | - | - | - | 0.00% | - | 0.00% |
| 8,000 | - | - | - | 0.00% | - | 0.00% |
| 9,000 | - | - | - | 0.00% | - | 0.00% |
| 10,000 | - | - | - | 0.00% | - | 0.00% |
| 10,001 to 12,000 | - | - | - | 0.00% | - | 0.00% |
| 12,001 to 14,000 | - | - | - | 0.00% | - | 0.00% |
| 14,001 to 16,000 | 1 | 15,000 | 1 | 8.33% | 15,000 | 2.30% |
| 16,001 to 18,000 | - | - | 1 | 8.33% | 15,000 | 2.30% |
| 18,001 to 20,000 | - | - | 1 | 8.33% | 15,000 | 2.30% |
| 20,001 to 25,000 | - | - | 1 | 8.33% | 15,000 | 2.30% |
| 25,001 to 30,000 | 1 | 27,500 | 2 | 16.67% | 42,500 | 6.51% |
| 30,001 to 35,000 | - | - | 2 | 16.67% | 42,500 | 6.51% |
| 35,001 to 40,000 | - | - | 2 | 16.67% | 42,500 | 6.51% |
| 40,001 to 50,000 | 1 | 45,000 | 3 | 25.00% | 87,500 | 13.41% |
| 50,001 to 60,000 | 4 | 220,000 | 7 | 58.33% | 307,500 | 47.13% |
| 60,001 to 70,000 | 3 | 195,000 | 10 | 83.33% | 502,500 | 77.01% |
| 70,001 to 80,000 | 2 | 150,000 | 12 | 100.00% | 652,500 | 100.00% |
| 80,001 to 90,000 | - | - | 12 | 100.00% | 652,500 | 100.00% |
| 90,001 to 100,000 | - | - | 12 | 100.00% | 652,500 | 100.00% |
| Over 100,000 | - | - | 12 | 100.00% | 652,500 | 100.00% |
| | | 12 | 652,500 | | | |

Average Number of Customers 1
Average Consumption 54,375
Median Consumption 50,800

Supporting Schedules:

Recap Schedules:



WATER USE DATA SHEET

| | |
|----------------------------------|---------------------------|
| NAME OF COMPANY | Valle Verde Water Company |
| ADEQ Public Water System Number: | 12-009 |

| MONTH/YEAR (12 Months of Test Year) | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) |
|--|------------------------|-----------------------------|-------------------------------|
| 1. October 2003 | 751 | 7,046 | 9,925 |
| 2. November 2003 | 751 | 6,552 | 7,080 |
| 3. December 2003 | 751 | 6,124 | 7,655 |
| 4. January 2004 | 749 | 5,958 | 7,478 |
| 5. February 2004 | 747 | 6,304 | 7,563 |
| 6. March 2004 | 746 | 6,347 | 7,806 |
| 7. April 2004 | 746 | 6,443 | 7,153 |
| 8. May 2004 | 746 | 7,160 | 9,222 |
| 9. June 2004 | 746 | 4,367 | 6,990 |
| 10. July 2004 | 746 | 6,289 | 9,202 |
| 11. August 2004 | 751 | 7,636 | 7,972 |
| 12. September 2004 | 737 | 8,066 | 8,529 |
| TOTAL | N/A | 78,292 | 96,575 |

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES

NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES

NO

If Yes, please provide the GPCD amount:

120 gallons

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

** this number must be equal to the number entered on Page 6, "sold gallons."*

*** Gallons pumped cannot equal or be less than the gallons sold.*

WATER USE DATA SHEET

| | |
|----------------------------------|---------------------------|
| NAME OF COMPANY | Valle Verde Water Company |
| ADEQ Public Water System Number: | 12-025 |

| MONTH/YEAR (12 Months of Test Year) | NUMBER OF CUSTOMERS | GALLONS SOLD (Thousands) | GALLONS PUMPED (Thousands) |
|--|------------------------|-----------------------------|-------------------------------|
| 1. October 2003 | 45 | 2,313 | 2,579 |
| 2. November 2003 | 45 | 1,865 | 1,890 |
| 3. December 2003 | 45 | 1,730 | 2,333 |
| 4. January 2004 | 50 | 1,231 | 1,245 |
| 5. February 2004 | 53 | 1,458 | 2,088 |
| 6. March 2004 | 54 | 1,422 | 1,643 |
| 7. April 2004 | 57 | 2,000 | 2,350 |
| 8. May 2004 | 57 | 2,297 | 2,581 |
| 9. June 2004 | 57 | 5,100 | 5,331 |
| 10. July 2004 | 58 | 4,520 | 4,902 |
| 11. August 2004 | 53 | 3,400 | 3,706 |
| 12. September 2004 | 68 | 2,971 | 3,051 |
| TOTAL | N/A | 30,307 | 33,699 |

Is the water utility located in an ADWR Active Management Area ("AMA")?

YES

NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

YES

NO

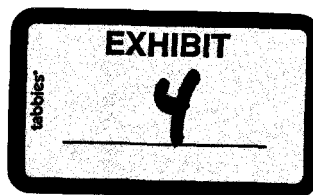
If Yes, please provide the GPCD amount:

120 gallons

Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.

** this number must be equal to the number entered on Page 6, "sold gallons."*

*** Gallons pumped cannot equal or be less than the gallons sold.*



| | |
|---------------------------|------------------|
| Company Name: | Test Year Ended: |
| Valle Verde Water Company | 30-Sep-04 |

WATER COMPANY PLANT DESCRIPTION

WELLS

| ADWR ID Number* | Pump Horsepower | Pump Yield (gpm) | Casing Depth (Feet) | Casing Diameter (inches) | Meter Size (inches) | Year Drilled |
|-----------------|-----------------|------------------|---------------------|--------------------------|---------------------|--------------|
| 55-617053 | 30 | 320 | 105 | 12 | 4 | 1954 |
| 55-617054 | 30 | 350 | 260 | 16 | 6 | 1972 |
| 55-617055 | 15 | 220 | 220 | 12 | 3 | 1971 |
| 55-513789 | 10 | 135 | 203 | 12 | 3 | 1987 |
| 55-500951 | 50 | 560 | 400 | 16 | 6 | 1982 |
| 55-502001 | 40 | 550 | 450 | 16 | 6 | 1982 |
| 55-801847 | 30 | 400 | 93 | 10 | 4 | 1933 |

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------|----------------|--|
| None | | |
| | | |

BOOSTER PUMPS

| Horsepower | Quantity |
|------------|----------|
| 100.0 | 2 |
| 50.0 | 1 |
| 25.0 | 2 |
| | |

FIRE HYDRANTS

| Quantity Standard | Quantity Other |
|-------------------|----------------|
| 45 | |
| | |
| | |
| | |

STORAGE TANKS

| Capacity | Quantity |
|----------|----------|
| 800,000 | 1 |
| | |
| | |
| | |

PRESSURE TANKS

| Capacity | Quantity |
|----------|----------|
| 10,000 | 2 |
| 5,000 | 2 |
| 3,000 | 3 |
| | |

| | |
|---------------------------|------------------|
| Company Name: | Test Year Ended: |
| Valle Verde Water Company | 30-Sep-04 |

WATER COMPANY PLANT DESCRIPTION CONTINUED

| MAINS | | | CUSTOMER METERS | |
|---------------------|----------|---------------------|---------------------|----------|
| Size (in inches) | Material | Length (in feet) | Size (in inches) | Quantity |
| 2 | PVC | 8,397 | 5/8 x 3/4 | 353 |
| 3 | AC | 920 | 3/4 | 411 |
| 4 | PVC | 16,480 | 1 | 47 |
| 5 | | | 1 1/2 | 3 |
| 6 | PVC | 19,818 | 2 | 18 |
| 8 | PVC | 3,220 | Comp. 3 | 2 |
| 10 | | | Turbo 3 | |
| 12 | PVC | 400 | Comp. 4 | 1 |
| 16 | PVC | 2,175 | Turbo 4 | |
| 18 | PVC | 1,070 | Comp. 6 | |
| 3 | Steel | 1,300 | Turbo 6 | |
| 4 | AC | 8,299 | | |
| | | | | |

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

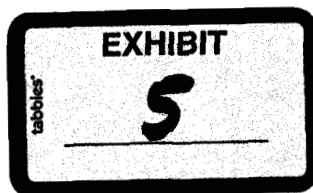
Fully depreciated by 2001

STRUCTURES:

Buildings

OTHER:

2 vehicles



Arizona Department of Environmental Quality
Water Quality Compliance Assurance Unit
1110 W. Washington Street, 5415B-1
Phoenix, AZ 85007

Drinking Water Compliance Status Report

Public Water System Name: Valle Verde Water Co.

Public Water System ID #: 12-009

Public Water System Type: ☒ CO ☐ Non-transient Non-community ☐ Transient Non-community

Overall Compliance Status: ☒ No Major Deficiencies ☐ Major Deficiencies

Monitoring and Reporting Status: ☒ No Major Deficiencies ☐ Major Deficiencies

Comments:

Operation and Maintenance Status: ☒ No Major Deficiencies ☐ Major Deficiencies

Comments:

Major unresolved/ongoing operation and maintenance deficiencies:

- | | |
|---|---|
| <input type="checkbox"/> unable to maintain 20psi | <input type="checkbox"/> inadequate storage |
| <input type="checkbox"/> cross connection/backflow problems | <input type="checkbox"/> surface water treatment rule |
| <input type="checkbox"/> treatment deficiencies | <input type="checkbox"/> approval of construction |
| <input type="checkbox"/> certified operator | <input type="checkbox"/> other |

Date of last inspection / sanitary survey: 3-6-2000

Administrative Orders:

Is an ADEQ administrative order in effect? ☐ Yes ☒ No

Comments:

System information:

Number of Points of Entry 5 **Number of Sources** 5 **Population Served** 2394

Service Connections 748 **Initial Monitoring Year** 1994 **Initial MAP Year** 2000

Evaluation completed by: Jim Puckett

Phone: 602-771-4649 **Date:** 3-17-05

Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. This compliance status report does not guarantee the water quality for this system in the future. This compliance status report does not reflect the status of any other water system owned by this utility company.

Arizona Department of Environmental Quality
Water Quality Compliance Assurance Unit
1110 W. Washington Street, 5415B-1
Phoenix, AZ 85007

Drinking Water Compliance Status Report

Public Water System Name: Valle Verde Water Co. - Los

Public Water System ID #: 12-025

Public Water System Type: ☐ CO ☒ Non-transient Non-community ☐ Transient Non-community

Overall Compliance Status: ☒ No Major Deficiencies ☐ Major Deficiencies

Monitoring and Reporting Status: ☒ No Major Deficiencies ☐ Major Deficiencies
Comments:

Operation and Maintenance Status: ☒ No Major Deficiencies ☐ Major Deficiencies
Comments:

Major unresolved/ongoing operation and maintenance deficiencies:

- | | |
|---|---|
| <input type="checkbox"/> unable to maintain 20psi | <input type="checkbox"/> inadequate storage |
| <input type="checkbox"/> cross connection/backflow problems | <input type="checkbox"/> surface water treatment rule |
| <input type="checkbox"/> treatment deficiencies | <input type="checkbox"/> approval of construction |
| <input type="checkbox"/> certified operator | <input type="checkbox"/> other |

Date of last inspection / sanitary survey: 3-6-2000

Administrative Orders:

Is an ADEQ administrative order in effect? ☐ Yes ☒ No
Comments:

System information:

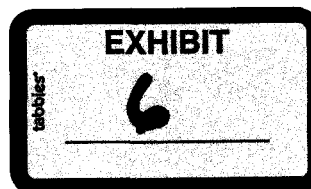
Number of Points of Entry 2 Number of Sources 2 Population Served 1330

Service Connections 64 Initial Monitoring Year 1997 Initial MAP Year 2000

Evaluation completed by: Jim Puckett

Phone: 602-771-4649 Date: 4-8-05

Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4. This compliance status report does not guarantee the water quality for this system in the future. This compliance status report does not reflect the status of any other water system owned by this utility company.





ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY MONITORING ASSISTANCE PROGRAM ANNUAL SAMPLING FEE INVOICE

Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or Mike Hill at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

| | |
|--|--|
| Account/PWSID #: 12009 | Invoice Number 61866 |
| To: VALLE VERDE WATER CO 12 GARDEN VIEW DR NOGALES, AZ 85621 | Billing for Calendar Year: 2005 Due Date: November 12, 2004 Total Amount Due \$ 1,800.43 Amount Paid \$ |

Keep the top portion for your records.

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

Annual Sampling Fee Invoice

ADEQ Federal Tax #866004791
Invoice # 61866

| | |
|--|--|
| VALLE VERDE WATER CO 12 GARDEN VIEW DR NOGALES, AZ 85621 | Account/PWSID #: 12009 MAP Billing for Calendar Year: 2005 Due Date: 11/12/2004 |
|--|--|

ANNUAL SAMPLING FEE WORKSHEET

| | |
|--|-------------|
| Base Fee (all MAP systems) | \$ 250.00 |
| Fee per Connection 749 connections X \$ 2.57 | \$ 1,924.93 |
| Subtotal | \$ 2,174.93 |
| (Less) 749 connections X \$ 0.50 | \$ <374.50> |
| 2005 subsidy from MAP surplus (not all systems are eligible, if not eligible, then zero) | |
| Total Sampling Fee | \$ 1,800.43 |
| Plus Paid Interest Charges and/or Other Adjustments | \$ 0.00 |
| Plus Unpaid Interest Charges as of 09/28/2004 | \$ 0.00 |
| Minus Payments Received and/or Other Adjustments | \$ 0.00 |
| Amount Due | \$ 1,800.43 |
| Amount received by ADEQ (Make check payable to State of Arizona) | \$ |

A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005-8228

| | |
|---------------|---------------------------|
| Check Number: | |
| Received: | |
| Postmarked: | |
| Entered: | MW1 09/28/2004 WMCH006 |



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE**

Pursuant to A.R.S. § 49-115, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to wilful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or Mike Hill at (602) 771-4518 or toll-free within Arizona at (800) 234-5677, extension 771-4445

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

| | |
|---|----------------------------------|
| Account/PWSID #: 12025 | Invoice Number 61871 |
| To: WILLIAM F RANDALL 12 GARDEN VIEW DR NOGALES, AZ 85621 llllllllllllllllllllll | Billing for Calendar Year: 2005 |
| | Due Date: November 12, 2004 |
| | Total Amount Due \$ 382.48 |
| | Amount Paid \$ |

Keep the top portion for your records.

ADEQ Federal Tax #86604791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #86604791

Annual Sampling Fee Invoice

Invoice # 61871

| | |
|---|---------------------------------|
| WILLIAM F RANDALL 12 GARDEN VIEW DR NOGALES, AZ 85621 | Account/PWSID #: 12025 MAP |
| | Billing for Calendar Year: 2005 |
| | Due Date: 11/12/2004 |

ANNUAL SAMPLING FEE WORKSHEET

| | | | |
|--|--------------------------|----|---------|
| Base Fee (all MAP systems) | | \$ | 250.00 |
| Fee per Connection | 64 connections X \$ 2.57 | \$ | 164.48 |
| Subtotal | | \$ | 414.48 |
| (Less) | 64 connections X \$ 0.50 | \$ | <32.00> |
| 2005 subsidy from MAP surplus (not all systems are eligible, if not eligible, then zero) | | | |
| Total Sampling Fee | | \$ | 382.48 |
| Plus Paid Interest Charges and/or Other Adjustments | | \$ | 0.00 |
| Plus Unpaid Interest Charges as of 09/28/2004 | | \$ | 0.00 |
| Minus Payments Received and/or Other Adjustments | | \$ | 0.00 |
| Amount Due | | \$ | 382.48 |
| Amount received by ADEQ (Make check payable to State of Arizona) | | \$ | |

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line.

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality
PO Box 18228
Phoenix, AZ 85005-8228

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